



HM Government

Partnership pack: preparing for changes at the UK border after a 'no deal' EU Exit



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Introduction[†]

This pack provides a high-level guide to processes and procedures that are likely to apply to cross-border activity between the UK and the EU in a ‘no deal’ scenario.

We do not want or expect a ‘no deal’ scenario. It is however the duty of a responsible government to continue to prepare for a range of potential outcomes including the unlikely event of ‘no deal’.

We have now published 106 specific [technical notices](#) to help businesses, citizens and consumers to prepare for March 2019 in the event of a ‘no deal’ scenario. These are available on GOV.UK in a centralised location that is easy for people to access and use.

Extensive preparation under way

Extensive work to prepare for a ‘no deal’ scenario has been under way for almost two years and we are taking necessary steps to ensure the country continues to operate smoothly from the day we leave.

Our objective is to minimise disruption by taking unilateral action to prioritise continuity and stability. Stability in a ‘no deal’ scenario partly depends on the EU taking a similar, non-disruptive approach to planning.

Choosing to maintain continuity would not stop us from taking advantage of the opportunities presented by our exit from the EU over time, but we would do so in an orderly way.

We expect our ‘no deal’ plans will not be required, but will prepare responsibly to ensure the smoothest exit in all outcomes.

The government will work closely with industry to ensure that cross-border activity continues to be conducted in a way which minimises delays and additional burdens for legitimate trade, while robustly ensuring compliance. The approach of continuity does not mean that everything will stay the same, but the priority is maximising stability at the point of departure through the government’s action.



Upholding the Belfast Agreement

The UK government is clear that in a 'no deal' scenario we must respect our unique relationship with Ireland, with whom we share a land border and are co-signatories of the Belfast Agreement. The UK government has consistently placed upholding the Agreement and its successors at the heart of our approach. It enshrines the consent principle on which Northern Ireland's constitutional status rests. We recognise the basis it has provided for the deep economic and social cooperation on the island of Ireland. This includes north-south cooperation between Northern Ireland and Ireland, which we're committed to protecting in line with the letter and spirit of Strand two of the Agreement.

The Irish Government has indicated it would need to discuss arrangements in the event of 'no deal' with the European Commission and EU countries. The UK would stand ready in this scenario to engage constructively to meet our commitments and act in the best interests of the people of Northern Ireland, recognising the very significant challenges that the lack of a UK-EU legal agreement would pose in this unique and highly sensitive context.

It remains, though, the responsibility of the UK government, as the sovereign government in Northern Ireland, to continue preparations for the full range of potential outcomes, including 'no deal'. As we do, and as decisions are made, we'll take full account of the unique circumstances of Northern Ireland.

Working in partnership with you

As intermediaries and trade bodies who work with UK businesses, the role that you can play in helping the government reach out to businesses and individuals is crucial.

You understand the customers, members and clients that you represent and you can provide insight, knowledge and channels to improve how many businesses receive these messages and how well they respond to them.

This partnership pack will help you support businesses and individuals to prepare if we exit the EU without a deal. It explains:

- how trade, processes and regulations at the UK border will change after 29 March 2019
- what traders, businesses and individuals operating at the UK border will need to do from 29 March 2019.

You can use it for your own contingency planning and to help your clients, customers or members to:

- think about how they will need to adapt their activities to comply with new systems, processes and controls
- assess the impact of any changes on their business
- consider whether they need to recruit and train additional staff
- stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.

We look forward to working with you and getting your feedback on what you think customers need.

Where to go for more information

Information on how to trade with countries outside of the EU (including details on customs procedures, excise rules and VAT) is on GOV.UK.

For information about starting to import, go to GOV.UK and search for 'Starting to import' and then select 'Importing from non-EU countries'.

For information on starting to export, on GOV.UK, search for 'Export goods' and then select 'exporting goods outside the EU'.

For general information about EU Exit, including the Article 50 process, negotiations, and announcements about policy changes as a result of EU Exit, please visit www.gov.uk/government/brexit

All [technical notices](#) are published on GOV.UK. You can also find information about technical notices and other resources in this partnership pack.

If you have ideas for additional resources, or if you want to discuss your own plans for communications, please contact:
euexit.communications@hmrc.gsi.gov.uk

Customs, excise, VAT and regulatory changes

If the UK exits the EU without a deal, UK businesses will have to apply customs, excise and VAT procedures to goods traded with the EU, in broadly the same way that already applies for goods traded outside of the EU.

The UK intends to establish an independent trade remedies system by the time the UK exits the EU. There will also be implications for a range of specific goods regulated under EU legislation.

The detail is set out in the [technical notices on GOV.UK](#). Here are the key changes to expect:

Customs and Excise

Businesses can currently move goods freely between EU countries. For customs, this means that businesses trading with the rest of the EU do not have to make any customs import or export declarations, and their trade with the EU is not subject to import duty.

Certain goods are subject to excise duty. This is a tax charged on the production and importation of alcohol, tobacco and oils. These goods are currently free to move between the UK and the rest of the EU with the excise duty-suspended.

If the UK leaves the EU on 29 March 2019 without a deal, there will be immediate changes to the procedures that apply to businesses trading with the EU. It would mean that the free circulation and movements of goods between the UK and EU would end.

HMRC is currently introducing its new Customs Declaration Service (CDS), which replaces its Customs Handling of Import and Export Freight (CHIEF) system. Read information about how CDS is being introduced and what businesses need to do to prepare on [GOV.UK](#).

From 11pm on 29 March 2019, for businesses trading with the EU, the impacts would include:

- businesses having to apply the same customs and excise rules to goods moving between the UK and the EU as are currently applied in cases where goods move between the UK and a country outside of the EU. This means customs declarations would be needed when goods enter the UK (an import declaration), or when they leave the UK (an export declaration). For imports into the UK a separate safety and security declaration needs to be made by the carrier of the goods (this is usually the haulier, airline, freight train operator or shipping line, depending on the mode of transport used to import goods). For exports from the UK, the export declaration includes the safety and security declaration
- the EU applying customs and excise rules to goods it receives from the UK, in the same way it does for goods it receives from outside of the EU. This means that the EU would require customs declarations on goods coming from, or going to, the UK, as well as requiring separate safety and security declarations for imports into the EU
- for movements of excise goods, the [Excise Movement and Control System \(EMCS\)](#) would no longer be used to control duty-suspended movements between the EU and the UK. However, EMCS would continue to be used to control the movement of duty-suspended excise goods within the UK, including movements to and from UK ports, airports and the Channel Tunnel. This will mean that, immediately on importation to the UK, businesses moving excise goods from the EU, including those in duty suspension, will have to make a customs declaration and the goods placed either into a customs or excise suspensive arrangement or the duty must be paid at that point.

UK Trade Tariff [△](#)

Under current rules, for goods moving between EU countries, there are no customs duties, and no routine intervention during the movement of goods.

For goods entering the EU's Customs Territory from the rest of the world ('third country goods'), an import declaration is required, customs formalities and checks are carried out – for example for compliance with EU regulations – and any customs duties must be paid.

After any duties have been paid on third country goods, and any other formalities complied with, those goods can move freely between EU countries (they are in 'free circulation') and are no longer subject to routine controls.

However, in the event of a 'no deal' exit, goods traded between the UK from the EU after 11pm on 29 March 2019 will be subject to the same requirements as third country goods, including the payment of duty.

The actual duty rates that will apply to each item imported into the UK may be different to the rates currently applied under the EU's Common Customs Tariff (CCT).

For UK exports arriving at the EU border, the EU will require payment of customs duty at the rate under the EU's CCT.

In preparing for a 'no deal' scenario, businesses should be aware of the following:

- the Taxation (Cross-Border Trade) Act 2018 will provide the necessary powers for the UK to set its own tariff for UK imports when it leaves the EU
- trade with the EU will be on non-preferential, World Trade Organization (WTO) terms. This means that the EU's Most Favoured Nation (MFN) tariffs and non-preferential rules of origin would apply to consignments between the UK and EU
- the EU will apply its MFN rates to goods imported into the EU from the UK. The EU MFN rates are set out in the CCT, where they are listed as 'erga omnes' (which means 'towards all'), rather than stating a specific country. The EU may change these rates between now and March 2019, but this provides an indication
- the Taxation (Cross-Border Trade) Act 2018 enables the UK to put in place a UK trade preferences scheme for developing countries. The UK intends to provide the same level of access to developing countries as the current EU trade preference scheme
- the UK intends to continue our existing EU Free Trade Agreements as now. Maintaining these benefits is of clear importance to businesses, consumers and investors, and will ensure a smooth transition for users of these provisions as we leave the EU.
- the UK does not plan any immediate deviation from the current commodity code list published in the UK Trade Tariff, which is currently applied by the EU, except where necessary to maintain alignment or for trade remedies purposes. See information on [page 9](#) about trade remedies in a 'no deal' scenario.

In the event of 'no deal', ahead of March 2019, the UK Trade Tariff, detailing the import duty rates and rules that will be applicable to each type of goods, will be made available free on GOV.UK as it is now.

However, importers of goods into the UK will no longer be able to rely on EU Tariff information published on the [EU TARIC portal](#) – the integrated Tariff of the European Union.

VAT for businesses

The UK will continue to have a VAT system after it leaves the EU. The revenue that VAT provides is vital for funding public services and the VAT rules relating to UK domestic transactions will continue to apply to businesses as they do now.

If the UK leaves the EU on 29 March 2019 without a deal, the government's aim will be to keep VAT procedures as close as possible to what they are now. This will provide continuity and certainty for businesses.

However, there will be some specific changes to the VAT rules and procedures that apply to transactions between the UK and EU countries.

The government has taken decisions and actions where necessary in order to mitigate the impacts of these changes for businesses.

In the VAT for businesses technical notice, the government has announced that in a 'no deal' scenario it will introduce postponed accounting for import VAT on goods brought into the UK. This means that UK VAT registered businesses importing goods to the UK will be able to account for import VAT on their VAT return, rather than paying import VAT on or soon after the time that the goods arrive at the UK border. This will apply both to imports from the EU and non-EU countries.

In reaching this decision, the government has taken account of the views of businesses and sought to mitigate any adverse cash-flow impacts, keeping VAT processes as close as possible to what they are now.

If the UK leaves the EU without an agreement, VAT will be payable on goods entering the UK as parcels sent by overseas businesses.

The government set out in the Customs Bill White Paper (published October 2017) that Low Value Consignment Relief (LVCR) will not be extended to goods entering the UK from the EU.

This note confirms that if the UK leaves the EU without an agreement then LVCR will no longer apply to any parcels arriving in the UK. This aligns the UK with the global direction of travel on LVCR. This means that all goods entering the UK as parcels sent by overseas businesses will be liable for VAT (unless they are already relieved from VAT under domestic rules, for example zero-rated children's clothing).

For parcels valued up to and including £135, a technology-based solution will allow VAT to be collected from the overseas business selling the goods into the UK

If the UK leaves the EU without an agreement, the UK will stop being part of EU-wide VAT IT systems such as the VAT Mini One Stop Shop. Details for specific EU-wide VAT IT systems is set out in the [VAT for business technical notice](#).



Trade remedies †

The government intends to establish an independent trade remedies system by the time the UK exits the EU which will be operated by the UK Trade Remedies Authority (TRA), a new arm's length body to investigate complaints of unfair trading practices and unforeseen surges in imports, which cause injury to UK industry.

Trade remedies allow World Trade Organization (WTO) members to operate a safety net and protect domestic industry from injury caused by unfair trading practices, such as dumped or subsidised imports, or from injury caused by unforeseen surges in imports. These usually take the form of additional duties on those imports.

As members of the EU, we have supported UK industries to secure necessary protections through the EU trade remedies system. Currently, complaints of unfair trade practices or unforeseen surges in imports are investigated by the European Commission (DG Trade), and any trade remedy measures are applied at an EU-wide level, rather than just in the UK.

Producers currently submit applications for investigations to the European Commission. Investigations are only undertaken if there is sufficient evidence of injury to EU producers. Specifically, applications need to show sufficient evidence that:

- there are dumped or subsidised goods or an unforeseen surge in imports that is causing injury to a domestic industry
- the WTO standing requirements in relation to import volumes and injury are satisfied
- the complaint is made on behalf of EU industry, that is producers representing at least 25% of total EU production of the particular goods are being affected.

As we prepare to operate an independent trade policy outside the EU, we are creating a trade remedies system which meets the needs of the UK. We are also prioritising certainty and continuity for business by maintaining EU measures which matter to the UK. In a 'no deal' scenario, the TRA will be operational by the time the UK leaves the EU and UK business will need to approach the TRA instead of the European Commission, with complaints relating to trade remedies.

We recognise the crucial role which UK manufacturers and producers play in our economy. We are committed to ensuring that UK industry has the protections it needs against unfair trading practices and unforeseen surges in imports which cause injury, but we will also ensure that the impact on consumers and end users is taken into account by applying proportionate measures.

We are legislating for the full suite of tools permitted under the WTO in order to tackle injury to UK industry caused by these practices. The Trade Bill will establish the TRA as a new non-departmental public body, while the Taxation (Cross-border Trade) Act 2018 sets out the trade remedies framework that the TRA will be responsible for delivering.

For more information about trade remedies if the UK leaves the EU with a deal, read the government's [Trade remedies](#) technical notice.

Trading goods regulated under the ‘New Approach’ †

This information explains the arrangements that will apply in the event of a ‘no deal’ scenario for the regulation of most goods covered by the ‘New Approach’. This includes those regulated under the ‘New Legislative Framework’ as well as machinery.

The areas covered by these arrangements are:

Accreditation and market surveillance – Regulation (EC) 765/2008

Toy safety – Directive 2009/48/EU

Restriction of hazardous substances in electrical and electronic equipment – Directive 2011/65/EU

Construction products – Regulation (EU) 305/2011

Pyrotechnic articles – Directive 2013/29/EU

Recreational craft and personal watercraft – Directive 2013/53/EU

Civil explosives – Directive 2014/28/EU

Simple pressure vessels – Directive 2014/29/EU

Electromagnetic compatibility – Directive 2014/30/EU

Non-automatic weighing instruments – Directive 2014/31/EU

Measuring instruments – Directive 2014/32/EU

Lifts – Directive 2014/33/EU

ATEX – Directive 2014/34/EU

Radio equipment – Directive 2014/53/EU

Low voltage – Directive 2014/35/EU

Pressure equipment – Directive 2014/68/EU

Marine equipment – Directive 2014/90/EU

Personal protective equipment – Regulation (EU) 2016/425

Gas appliances – Regulation (EU) 2016/426

Machinery – Directive 2006/42/EC

Noise emission in the environment by equipment for use outdoors – Directive 2000/14/EC

Ecodesign – Directive 2009/125/EC

EU legislation sets out the rules, or ‘essential (safety) requirements’, which certain products must meet before they are placed on the EU market.

For some of these product areas, manufacturers can choose to demonstrate compliance with the essential requirements set out in legislation by following ‘harmonised standards’. Harmonised standards that can be used to demonstrate that a product meets essential requirements are published in the [Official Journal of the European Union](#).

For construction products, use of the harmonised standards is mandatory.

The relevant EU legislation sets out how products within its scope can be tested to prove that they conform with the essential requirements. Typical ways of showing conformity include:

- self-declaration by the manufacturer that they have taken appropriate steps to ensure their product is compliant (for example, for most toys)
- assessment of the final product by an EU-accredited body (known as a 'notified body'. A notified body is an organisation designated by an EU country to assess the conformity of certain products before being placed on the market.)
- assessment of a product's design (or a prototype) by a notified body, followed by testing of either a sample of the final product or quality assurance of production processes.

For many products, a manufacturer must affix a 'conformity marking', most commonly the CE marking (CE marking is defined in EU law as 'a marking by which the manufacturer indicates that the product is in conformity with the applicable requirements set out in EU harmonisation legislation providing for its affixing'). This acts as a declaration that the product complies with the relevant requirements.

For marine equipment, the Wheel Mark (Mark of Conformity) is the European regulatory marking, as defined in the Marine Equipment Directive, 2014/90/EU) is used.

Where EU rules require third party testing, that notified body's four-digit identification number (as listed on the 'New Approach' Notified and Designated Organisations database, known as [NANDO](#)) must also be affixed to the product.

Notified bodies are usually given the right to carry out conformity assessment following assessment by a national accreditation body (in the UK, the [United Kingdom Accreditation Service](#)). They are then formally 'notified' to the European Commission and other EU countries by the relevant public body and listed on the NANDO database.



How processes will change

Goods already placed on the market will be able to continue to circulate in the UK. Additionally, goods that meet EU requirements (and were tested by an EU recognised conformity assessment body) can still be placed on the UK market. This is intended to be a time-limited measure.

The results of conformity assessment carried out by UK-notified bodies will no longer be recognised in the EU. This means that products tested by a UK-notified body will no longer be able to be placed on the EU market without retesting and re-marking by an EU-recognised conformity assessment body.

For the areas covered, notified bodies based in the UK will be granted new UK 'approved body' status and listed on a new UK database. Approved bodies will be able to assess products for the UK market against UK essential requirements (which, immediately after exit day in a 'no deal' scenario, will be identical to EU essential requirements).

Manufacturers selling goods on the UK market will then be able to affix a new UK conformity marking before placing a product on the UK market. A separate UK marking to replace the wheel mark will be in place for marine equipment. Manufacturers will not need to use these markings from the point of exit in a 'no deal' scenario if they have used the relevant EU marking after having their product assessed by an EU recognised body. This will be a time-limited arrangement. Details of these markings will be published later in 2018 and with sufficient time to allow businesses to prepare.

The United Kingdom Accreditation Service's role as the UK's national accreditation body, including for most UK conformity assessment bodies, will remain as it is now.

Existing harmonised standards (used to demonstrate conformity with EU essential requirements) will become UK 'designated standards', used to demonstrate conformity with UK essential requirements. As noted above, immediately following exit these will be identical to EU essential requirements.

What this means for manufacturers

If you are a manufacturer intending to place products on the UK market on or after 29 March 2019, you should note that:

- products that meet EU requirements can continue to be placed on the UK market without any need for retesting or re-marking, including where they have demonstrated compliance with EU requirements after exit day. This will apply for a time-limited period and sufficient notice will be given to businesses before that period ends
- products that meet UK requirements and bear a UK conformity marking can be placed on the UK market, as long as any third-party testing required has been carried out by a UK-recognised conformity assessment body
- for product areas covered by this notice, UK-based notified bodies will become UK approved bodies after March 2019 and will be listed on a new UK database.

If you are a manufacturer placing products on the EU market on or after 29 March 2019, you should note that:

- products that were tested by a UK-based notified body will need to be retested by an EU-recognised conformity assessment body before placing on the EU internal market. A list of EU-recognised conformity assessment bodies can be found on the NANDO database. After March 2019, in a 'no deal' scenario UK-based bodies will no longer be listed on this database

- alternatively, manufacturers can seek to arrange for their files to be transferred to an EU-recognised notified body to allow for certificates of conformity issued by a UK-based notified body to continue to be valid
- in either of the scenarios above, products where third-party testing is required would need to be re-marked with the new EU-recognised notified body's four-digit number.

More information

The government will provide further information later in 2018 setting out the practical arrangements for how UK-based notified bodies will be granted status as UK-approved bodies and on the new UK markings.

Where the government makes changes to any of the above arrangements, for example, regarding the ongoing recognition of conformity assessment activities carried out by EU bodies – it will ensure businesses are provided with adequate notice.



What to expect on day one of a 'no deal' scenario

If the UK leaves the EU without any deal on 29 March 2019, there will be changes for every business and individual operating at the UK border.

The fact sheets in this chapter describe what individuals and business groups will need to do from day one of a 'no deal' scenario.

Each fact sheet has been designed as a standalone product for a specific group, so you can use them easily to communicate with different audiences.

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Individuals

Travellers to the EU with a UK passport †
Individuals travelling with pets †



Traders

Traders importing from the EU only Δ
Traders exporting to the EU only Δ
Traders with the EU and the rest of the world Δ
Traders with the rest of the world only Δ



Service industries

Businesses supplying services to the EU Δ
Express courier Industry and postal services
Tour operators



Creative, cultural and sport

Organisations, businesses, and individuals in the creative, cultural, and sport sectors †



Agrifood, animals and plants

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Traders importing plants and plant products from the EU †

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Businesses buying and selling timber or timber products in the EU †



Specialist traders

Businesses selling duty-suspended alcohol, tobacco or fuel in the UK Δ

Businesses trading in rough diamonds †

Businesses and individuals exporting controlled goods †

Businesses trading in civil explosives †

Businesses supplying medicines and medical devices †

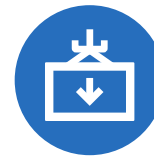
UK licensed establishments working with organs, tissues and cells †

Traders in drug precursor chemicals †

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Businesses trading in fluorinated gases and ozone depleting substances †

Businesses shipping waste into and out of the EU †

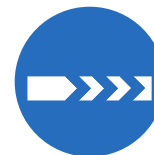


Transporters

Haulage companies operating between the UK and the EU

Ferry or Channel Tunnel operators moving goods between the UK and the EU

Freight forwarders Δ



Other operators at the UK border

Customs agents Δ

Ports and airports Δ

Customs warehouses Δ

Temporary storage operators Δ



What to expect on day one of a 'no deal' scenario: Travellers to the EU with a UK passport[†]

The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal.

If you travel to Europe for work or leisure, make sure you:

- check your passport meets the new rules
- renew your passport in plenty of time before travel if necessary.

The new rules will cover travel to the 26 countries in the Schengen area. These are: Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, and Switzerland.

Travel to the Republic of Ireland will not be affected.

If you're planning to go to countries that are in the EU but not the Schengen area (Bulgaria, Croatia, Cyprus and Romania) you will need to [check a country's entry requirements](#).

The new rules will apply to passports issued by:

- the UK
- Gibraltar
- Guernsey
- the Isle of Man
- Jersey.

If you're planning to renew your passport you will find that it is cheaper and quicker for you to [renew an adult passport online at GOV.UK](#).

Read [more information about traveling to Europe after the UK leaves the EU](#).

How the passport rules will change

UK passports are currently accepted for travel to the Schengen area up until their expiry date. This is because the UK is a member of the EU.

If the UK leaves the EU without an agreement, some older passports that are nearing their expiry date may not be accepted by EU countries.

From 29 March 2019, if there's 'no deal':

1. You will need to show that your passport is still valid for at least six months from the date you arrive in the Schengen area
2. If you have an adult passport that was issued for longer than ten years, any extra months beyond ten years do not count. Your passport would have been issued for longer than ten years if you had renewed your old passport early, because the remaining valid period (up to nine months) was added to your new passport. This no longer happens. This means your passport may need to be valid for more than six months – depending on how many extra months you were issued with. The remaining valid period should be six months plus however many extra months your passport was issued for, for example:
 - a. if your passport was issued for ten years and three months you should have nine months left (six months plus three months)
 - b. if your passport was issued for ten years and nine months you should have 15 months left (six months plus nine months).

Things you can do now

You should now consider the effect of a 'no deal' exit on your passport requirements, either as an individual or as a business in which employees or customers will need to travel to Europe.

1. If you are booking any travel to Europe after 29 March 2019, [use the online calculator to check if your passport has enough time left](#).
2. If you are a business, ensure that your employees and customers are aware of the new passport rules that may come into effect in the event of a 'no deal' exit.
3. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.





What to expect on day one of a 'no deal' scenario: Individuals travelling with pets[†]

You must get your dog, cat or ferret microchipped and then vaccinated against rabies before it can travel. The rules for taking your pet to a European country will change if the UK leaves the EU with 'no deal' and becomes an unlisted country. In this case, pet passports issued in the UK would not be valid for travel to the EU.

How processes will change

If the UK leaves the EU without a deal in March 2019, it would become a third country for the purposes of pet travel.

Pets would continue to be able to travel from the UK to the EU, but the requirements for documents and health checks would differ depending on what category of third country the UK becomes on the day we leave the EU.

Things you can do now

To make sure your pet can travel after 29 March 2019, you need to take the following steps:

1. You should contact your vet to start the process at least four months before you plan on travelling. For example, if you plan to travel on 30 March, you need to start this process by the 28 November. You should start talking to your vet about pet travel preparations in good time.
2. Your pet must have a blood test at least 30 days after the rabies vaccination. You will need to talk to your vet about whether you need a rabies vaccination or booster before this test.

3. Your vet must send the blood sample to an EU-approved blood testing laboratory.
4. The results of the blood test must show that the vaccination was successful (rabies antibody level of at least 0.5 IU/ml). A successful blood test will continue to be valid as long as your pet's rabies vaccinations are kept up to date with no gaps. Pets that have previously had a successful blood test and have an up-to-date rabies vaccination do not need to repeat it. However we advise speaking to your vet about the preparations you may need to make before travel.
5. You must wait three months from the date the blood sample was taken before you travel.
6. Take your pet to an Official Veterinarian (OV) within ten days of travel to get a health certificate.
7. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Traders importing from the EU only^Δ

The trade that you carry out with the EU will broadly follow the customs controls that apply for the rest of the world – you will need to adapt your business to comply with these new systems, processes and controls.

How the import process will change

If the UK leaves the EU, with a 'no deal' scenario, you will be subject to customs controls in the same way that businesses currently do when importing goods from a country outside the EU. This means that you will need to make an import declaration for goods entering the UK from the EU.

Customs checks may be carried out and you will need to pay any customs duties required under a new UK Trade Tariff, to replace the EU Common Customs Tariff (CCT) (see 'Customs, excise and VAT changes' for more information about establishing a new UK Trade Tariff).

Before importing goods from the EU, you will need to do the following:

- register for a UK Economic Operator Registration and Identification (EORI) number. You don't need to do anything now. There will be further information available later in the year – if you sign up for EU Email updates (see 'Things you can do now' below), you will be contacted when this becomes available
- ensure your contracts and International Terms and Conditions of Service ([INCOTERMS](#)) show that you are now an importer

- consider how you will submit import declarations. It's up to you whether you choose to submit the import declaration yourself or do it through a customs broker, freight forwarder or logistics provider – if you choose to do it yourself, you'll need the right software and the necessary authorisations from HMRC, both of which will come at a cost
- decide the correct classification and value of your goods and enter the correct commodity code on the customs declaration. This will require knowledge of the item being classified, as well as its constituent parts: what it's made of, where it originates from and the purpose for which it will be used. The commodity codes will be listed, along with the rate of import duty applicable, in a new UK Trade Tariff, which will replace the UK's use of the EU CCT. HMRC already publishes [tariff information and guidance](#) for UK traders with third countries.

The UK Trade Tariff will replace the UK's use of the EU CCT. The UK does not intend to immediately change any commodity codes, but the rules will be set out in new UK regulations rather than EU ones. The tariff will contain rules for determining the amount of import duty applicable based on the commodity code and country of origin, and will set out import procedures such as how the value of a product is calculated, and which forms, codes, and procedures you should use.

When importing goods from the EU, you'll need to:

- have a valid EORI number
- make sure that your carrier, which can be a haulage company or a ferry or train operator, depending on the type of traffic, submitted a safety and security declaration at the appropriate time
- [submit an import declaration](#) to HMRC using their software, or get your customs broker, freight forwarder or logistics provider to do this for you
- pay VAT and import duties, including excise duty on excise goods, unless the goods are entered into duty suspension (for example, a customs or excise warehouse). If you're using a warehouse, a financial security will be required to cover the duty liability of the goods while they are being moved to the warehouse. Import VAT may also be due (see 'Dealing with import VAT' right).

You may also need to apply for an import licence or provide supporting documentation to import specific types of goods into the UK, or to meet the conditions of the relevant customs import procedure.

Find out more about [importing and licensing requirements](#).

How the excise process will change

Once excise goods leave a customs suspensive arrangement, they may be immediately entered into an excise duty suspension regime, so you will need to declare the goods on the [Excise Movement and Control System \(EMCS\)](#) for onward movement in the UK via a registered consignor.

For more information about this read [Public Notice 197](#).

Dealing with import VAT

If the UK leaves the EU without an agreement, the government will introduce postponed accounting for import VAT on goods brought into the UK. This means that, if you're a UK VAT-registered business importing goods to the UK, you will be able to account for import VAT on your VAT return, rather than paying import VAT when the goods arrive at the UK border. This will apply to imports from the EU and non-EU countries.

To reach this decision, the government took account of the views of businesses and sought to mitigate any adverse cash-flow impacts and ensure that VAT processes are kept as close as possible to what they are now. To ensure equity of treatment, in a 'no deal' scenario, you will be able to account for your import VAT from non-EU countries in the same way. This will help you make the most of trading opportunities around the world.

We will issue more guidance setting out further detail on accounting and record keeping requirements soon.

VAT on parcels sent by overseas businesses

If the UK leaves the EU without an agreement, VAT will be payable on goods entering the UK as parcels, sent by overseas businesses.

Low Value Consignment Relief (LVCR) will no longer apply to any parcels arriving in the UK. This will align the UK with the global direction of travel on LVCR.

This means that all goods entering the UK as parcels, sent by overseas businesses, will be liable for VAT unless they are already relieved from VAT under domestic rules (for example zero-rated children's clothing).

For parcels valued up to and including £135, which are non-excise goods, a technology-based solution will allow VAT to be collected from the overseas business that's selling the goods in the UK. Overseas businesses will charge VAT at the point of purchase and will be expected to register with an HMRC digital service and account for VAT due.

The digital service is an online registration, accounting, and payments service for overseas businesses. On registration, businesses will be provided with a Unique Identifier which will accompany the parcels they send into the UK. They will then declare the VAT due on those parcels and pay this via their online account. This ensures the process of paying VAT on parcels does not become burdensome for UK consumers and businesses.

To give overseas businesses enough time to familiarise themselves with their new obligations, the online service will be available for businesses to register in early 2019, prior to 29 March.

On goods worth more than £135 sent as parcels, VAT will continue to be collected from UK recipients in line with [current procedures](#) for parcels from non-EU countries. VAT will also continue to be collected in line with current procedures for all excise goods sent as parcels and potentially in cases where their supplier is not compliant with HMRC's new parcels policy.

HMRC is working with the relevant industry stakeholders and will provide further information soon.



VAT on vehicles imported to the UK

If the UK leaves the EU without an agreement, you should continue to [notify HMRC](#) about vehicles brought into the UK from abroad, using the online [Notification of Vehicle Arrival Procedures \(NOVA\) system](#), to ensure that VAT is correctly paid.

The rules on the movement of goods to the UK from the EU will change when the UK leaves the EU and, as a result, import VAT will be due on vehicles you bring into the UK from EU countries. Certain reliefs will also be available as with current imports of vehicles from non-EU countries.

The Driver Vehicle Licensing Agency (DVLA) will not register a vehicle brought into the UK for use on UK roads unless it has a valid NOVA notification or it has been registered using the DVLA secure registration scheme.

Changes to VAT IT systems

If the UK leaves the EU without an agreement, the UK will stop being part of EU-wide VAT IT systems.

UK VAT Mini One Stop Shop (MOSS): MOSS is an online service that allows EU businesses that sell digital services to consumers in other EU countries to report and pay VAT via a single return and payment in their home country. Non-EU businesses can also use the system by registering in an EU country.

In a 'no deal' scenario, you will no longer be able to use the UK's MOSS portal to report and pay VAT on sales of digital services to consumers in the EU.

If you want to continue to use the MOSS system, you will need to register for the VAT MOSS non-union scheme in an EU country. This can only be done after the date the UK leaves the EU.

The non-union MOSS scheme requires you to register by the 10th of the month following a sale, so you will need to register by 10 April 2019 if you make a sale from the 29 to 31 March 2019, and by 10 May 2019 if you make a sale in April 2019.

Alternatively, you can register in each EU country where sales are made. There is more information on the [EU Commission's website](#).

EU VAT Refund System: You will no longer have access to the EU VAT Refund System but you can continue to claim refunds of VAT from EU countries by using the existing processes for non-EU businesses.

This process varies across the EU and you will need to make yourself aware of the processes in the individual countries where you incur costs and want to claim a refund.

There is more information about claiming VAT refunds from EU countries on the [EU Commission's website](#).

EU VAT Registration Number Validation: This service allows businesses to check whether a customer or supplier's VAT number is valid. You will still be able to use the EU VAT number validation service to check the validity of EU business VAT registration numbers. UK VAT registration numbers will no longer be part of this service. In the event of 'no deal', HMRC is developing a system so that UK VAT numbers can continue to be validated. We know this is important for certain businesses to carry out due diligence.

Northern Irish businesses importing from Ireland

The UK government is clear that in a 'no deal' scenario we must respect our unique relationship with Ireland, with whom we share a land border and are co-signatories of the Belfast Agreement.

The UK government has consistently placed upholding the Agreement and its successors at the heart of our approach. We recognise the basis it has provided for the deep economic and social cooperation on the island of Ireland.

It is the responsibility of the UK government to continue preparations for the full range of potential outcomes, including 'no deal'. In such a scenario, the UK would stand ready to engage constructively to meet our commitments and act in the best interests of the people of Northern Ireland, recognising the very significant challenges that the lack of a UK-EU legal agreement would pose in this unique and highly sensitive context. This would include engagement on arrangements for land border trade. We will provide more information in due course.

The Irish Government has indicated it would need to discuss arrangements in the event of 'no deal' with the European Commission and EU countries. We would recommend that, if you trade across the land border, you should consider whether you will need advice from the Irish government about preparations you need to make.

Exhaustion of intellectual property rights

Intellectual property rights give the business, organisation or individual that holds the rights (the right holder) certain exclusive entitlements, which include the right to control distribution of a protected product. The exhaustion of intellectual property (IP) rights refers to the loss of the right to control distribution and resale of that product after it has been placed on the market within a specified territory by, or with the permission of, the right holder.

The UK is currently part of a regional European Economic Area (EEA) exhaustion scheme, meaning that IP rights are considered exhausted once they have been put on the market anywhere in the EEA with the rights holder's permission.

In a 'no deal' scenario, the UK will continue to recognise the EEA regional exhaustion regime from exit day to provide continuity in the immediate term for businesses and consumers.

This approach means there will be no change to the rules affecting imports of goods into the UK, and businesses that undertake this activity may continue unaffected.

Ongoing UK recognition of the EEA regional exhaustion area will ensure that parallel imports of goods, such as pharmaceuticals, can continue from the EEA. A parallel import is a non-counterfeit product which is imported into a country where the intellectual property rights in that product have already been exhausted.

The implication for UK businesses is that intellectual property-protected goods placed on the EEA market by, or with the consent of, the right holder after the UK has exited the EU will continue to be

considered exhausted in the UK. This means that parallel imports of these goods from the EEA to the UK will be able to continue unaffected.

The government is currently considering all options for how the exhaustion regime should operate after this temporary period, and is undertaking a research programme to support this decision. The government will be working closely with business representatives, trade associations and other stakeholders on the implications of our plans.

The Intellectual Property Office has also published a [factsheet on intellectual property rights and EU Exit](#).

Trading under the mutual recognition principle

Some manufactured goods, such as furniture, textiles, bicycles, and cooking utensils are subject to national regulations rather than EU-wide rules.

These non-harmonised goods can circulate on the EU market under the mutual recognition principle, which prevents EU countries from prohibiting the sale of goods that have already been legally sold in another EU country. This applies even where countries have different national requirements covering the same good.

As an example, a bicycle made to comply with French national requirements and sold in France can then lawfully be marketed in other EU countries – even though those countries may have different national requirements for bicycles.

The only exceptions to the mutual recognition principle are restrictions which EU countries can introduce on grounds such as public safety, public policy and public morality.

EU countries' right to restrict the circulation of these goods, for the above reasons, is regulated by the [EU Mutual Recognition Regulation \(764/2008\)](#). As well as setting out rules and procedures, it establishes product contact points in each EU country which respond to requests for information about national regulations.

How processes will change

In the event of a 'no deal' scenario, the UK would no longer fall within the scope of the mutual recognition principle.

This means that if you import non-harmonised goods into the UK you will need to ensure they meet UK national requirements, even if your goods were previously lawfully marketed in another EU country.

Similarly, non-UK businesses exporting non-harmonised goods to the UK will need to ensure that the goods meet UK national requirements, regardless of whether they were previously lawfully marketed in another EU country or in the UK.

Trading goods regulated under the 'New Approach'

EU legislation sets out the rules, or 'essential safety requirements', which certain products must meet before they are placed on the EU market.

If you trade in goods covered by these specific EU directives and regulations, you should read the guidance on [page 10](#) of this pack, and read the technical notice on [Trading goods regulated under the 'New Approach' if there's no Brexit deal](#).

Things you can do now

If you expect to be importing from the EU after 29 March 2019, you should consider now the effect of a 'no deal' exit on your business.

1. Read the government's existing guidance for importing outside of the EU, to familiarise yourself with the key processes. On GOV.UK, search for 'Starting to import' and then select 'Importing from non-EU countries'.
2. Take account of the volume of your trade with the EU and any potential supply chain impacts.
3. Consider the impact on your role in supply chains with EU partners. If the UK and the EU do not have a Free Trade Agreement in place in a 'no deal' scenario, trade with the EU will be on non-preferential, World Trade Organization terms. This means that Most Favoured Nation tariffs and non-preferential rules of origin will apply to consignments between the UK and EU.
4. If necessary, put steps in place to renegotiate commercial terms to reflect any changes in customs and excise procedures, and any new tariffs that may apply to UK-EU trade.
5. Consider how you will submit customs declarations for EU trade, if required, including whether to engage a customs broker, freight forwarder or logistics provider or whether to get the right software and authorisations to do it yourself.
6. Consider whether you could use customs procedures to delay or relieve the payment of customs duty until your goods are ready to be released into free circulation. A customs broker,

freight forwarder or logistics provider can advise in the event of a 'no deal' scenario whether one of these procedures would be suitable for your business. These procedures include:

- customs warehousing: allows you to store goods without paying duty or import VAT. When the goods leave the warehouse, you must pay the duty, unless the business is re-exporting, or moving goods to another customs procedure. The warehouse must be authorised by HMRC
- inward processing: allows you to import goods from non-EU countries for work or modification in the EU. When this has been completed, you must pay any customs duty and VAT due, unless goods are re-exported or moved to another customs procedure, or released to free circulation
- temporary admission: allows you to temporarily import and/or export goods such as samples, professional equipment or items for auction, exhibition or demonstration into the UK or EU. As long as the goods are not modified or altered while they are within the EU, you will not have to pay duty or import VAT
- authorised use: allows a reduced or zero rate of customs duty on some goods when used for specific purposes and within a set time period.

For excise duty purposes, goods are not regarded as imported if they are immediately placed under one of these customs procedures. You will need to pay excise duty when these goods are eventually released from these procedures into free circulation, unless they are immediately placed into excise duty suspension.

1. If you deal with intellectual property-protected goods, you may wish to seek legal advice on how a 'no deal' scenario could affect your business model or intellectual property rights.
2. If you trade under the mutual recognition principle, check that the goods you import to the UK meet [relevant UK national regulations](#). This list may not be exhaustive.
3. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
4. We would recommend that, if you trade across the land border, you should consider any advice issued by the Irish Government about preparations you need to make, in addition to the guidance set out by the UK government.
5. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.





What to expect on day one of a 'no deal' scenario: Traders exporting to the EU only^Δ

The trade that you carry out with the EU will broadly follow the customs controls that apply for the rest of the world – you will need to adapt your business to comply with these new systems, processes and controls.

How the export process will change

If the UK leaves the EU, in the event of a 'no deal' scenario, you will need to follow customs procedures in the same way that businesses currently do when exporting goods to a non-EU country.

Before exporting goods to the EU, you will need to:

- register for an UK Economic Operator Registration and Identification (EORI) number. You don't need to do anything now. There will be further information available later in the year – if you sign up for EU Email updates (see 'Things you can do now' below), you will be contacted when this becomes available
- ensure your contracts and International Terms and Conditions of Service ([INCOTERMS](#)) reflect that you are now an exporter
- consider how you will submit export declarations. It's up to you whether you choose to submit the export declaration yourself or do it through a customs broker, freight forwarder or logistics provider. If you choose to do it yourself, you'll need the right software and the necessary authorisations from HMRC, both of which will take time to set up.

When exporting goods to the EU, you will need to:

- have a valid EORI number
- submit an export declaration to HMRC using their software or online, or get your customs broker, freight forwarder, or logistics provider to do this for you. Your export declaration may need to be lodged in advance so that you get permission to export before the goods leave the UK (the export declaration also counts as a safety and security declaration (Exit Summary Declaration)).

You may also need to apply for an export licence or provide supporting documentation to export specific types of goods from the UK, or to meet the conditions of the relevant customs export procedure.

How the excise process will change

If you're exporting duty-suspended excise goods to the EU, you will need to continue using the [Excise Movement and Control System \(EMCS\)](#) to record your movement from a UK warehouse or premises to the place of export in the UK.

Find out more about how to [move, store and trade duty-suspended and duty-paid excise goods](#).

Dealing with export VAT

If you're a VAT registered business, you will continue to be able to zero-rate sales of goods to EU businesses but you won't be required to complete European Commission (EC) Sales List. This means there will be changes to how these sales are recorded.

You will need to keep evidence to prove that goods have left the UK, to support the zero-rating of the supply. Most businesses already maintain this evidence as part of current processes and the required evidence will be similar to that currently required for exports to non-EU countries, with any differences to be communicated in due course.

If you are selling goods to EU consumers, distance selling arrangements will no longer apply to your business and you will be able to zero-rate the sales.

Current EU rules would mean that EU countries will treat goods entering the EU from the UK in the same way as goods entering from other non-EU countries with associated import VAT and customs duties due, when the goods arrive into the EU.

Individual EU countries may have different import VAT rules for non-EU countries and import VAT payments may be due at the border when you are importing goods. You should check the relevant import VAT rules in the EU country concerned.

UK businesses selling their own goods in an EU country to customers in that country

If the UK leaves the EU without an agreement, you will be able to continue to sell goods you have stored in an EU country to customers in the EU, in line with current Rest of the World rules.

Current EU rules would mean that you will continue to be required to register for VAT in the EU countries where sales are made, in order to account for the VAT due in those countries.

You can access the [EU Commission's website](#) for more information on:

- EU rules for storing non-union goods in an EU country before selling or exporting
- registering for VAT in EU countries.

Changes to VAT IT systems

If the UK leaves the EU without an agreement, the UK will stop being part of EU-wide VAT IT systems. However, you can still use these systems to handle transactions you made before EU Exit.

UK VAT Mini One Stop Shop (MOSS): MOSS is an online service that allows EU businesses that sell digital services to consumers in other EU countries to report and pay VAT via a single return and payment in their home country. Non-EU businesses can also use the system by registering in an EU country.

In a 'no deal' scenario, you will no longer be able to use the UK's MOSS portal to report and pay VAT on sales of digital services to consumers in the EU.

If you want to continue to use the MOSS system, you will need to register for the VAT MOSS non-union scheme in an EU country. You can only do this after the date the UK leaves the EU.

The non-union MOSS scheme requires you to register by the 10th of the month following a sale, so you will need to register by 10 April 2019 if you make a sale from the 29 to 31 March 2019, and by 10 May 2019 if you make a sale in April 2019. Alternatively, you can register in each EU country where sales are made.

There is more information on the [EU Commission's website](#).

EU VAT Refund System: You will no longer have access to the EU VAT Refund System but you can still claim refunds of VAT from EU countries by using the existing processes for non-EU businesses. This process varies across the EU and you will need to make yourself aware of the processes in the individual countries where you incur costs and want to claim a refund.

You'll find more information about claiming VAT refunds from EU countries on the [EU Commission's website](#).

EU VAT Registration Number Validation: This service allows businesses to check whether a customer or supplier's VAT number is valid. You will still be able to use the EU VAT number validation service to check the validity of EU businesses' VAT registration numbers. UK VAT registration numbers will no longer be part of this service. In the event of 'no deal', HMRC is developing a system so that UK VAT numbers can continue to be validated. We know this is important for certain businesses to carry out due diligence.

Northern Irish businesses exporting to Ireland

The UK government is clear that in a 'no deal' scenario we must respect our unique relationship with Ireland, with whom we share a land border and are co-signatories of the Belfast Agreement.

The UK government has consistently placed upholding the Agreement and its successors at the heart of our approach. We recognise the basis it has provided for the deep economic and social cooperation on the island of Ireland.

It is the responsibility of the UK government to continue preparations for the full range of potential outcomes, including 'no deal'. In such a scenario, the UK would stand ready to engage constructively to meet our commitments and act in the best interests of the people of Northern Ireland, recognising the very significant challenges that the lack of a UK-EU legal agreement would pose in this unique and highly sensitive context. This would include engagement on arrangements for land border trade. We will provide more information in due course.

The Irish Government has indicated it would need to discuss arrangements in the event of 'no deal' with the European Commission and EU countries. We would recommend that, if you trade across the land border, you should consider whether you will need advice from the Irish government about preparations you need to make.

Exhaustion of intellectual property rights

Intellectual property rights give the business, organisation or individual that holds the rights (the right holder) certain exclusive entitlements, which include the right to control distribution of a protected product. The exhaustion of intellectual property (IP) rights refers to the loss of the right to control distribution and resale of that product after it has been placed on the market within a specified territory by, or with the permission of, the right holder.

The UK is currently part of a regional European Economic Area (EEA) exhaustion scheme, meaning that IP rights are considered exhausted once they have been put on the market anywhere in the EEA with the rights holder's permission.

In a 'no deal' scenario, the UK will continue to recognise the EEA regional exhaustion regime from exit day to provide continuity in the immediate term for businesses and consumers.

This approach means there will be no change to the rules affecting imports of goods into the UK, and businesses that undertake this activity may continue unaffected.

There may however be restrictions on the parallel import of goods from the UK to the EEA. The implication for UK businesses is that goods placed on the UK market by or with the consent of the right holder after the UK has exited the EU will not however be considered exhausted in the EEA. This means that businesses exporting these goods from the UK to the EEA might need the right holder's consent.

The government is currently considering all options for how the exhaustion regime should operate after this temporary period, and is undertaking a research programme to support this decision. The government will be working closely with business representatives, trade associations and other stakeholders on the implications of our plans.

The Intellectual Property Office has also published a [factsheet on intellectual property rights and EU Exit](#).

Trading under the mutual recognition principle

Some manufactured goods, such as furniture, textiles, bicycles, and cooking utensils are subject to national regulations rather than EU-wide rules.

These non-harmonised goods can circulate on the EU market under the mutual recognition principle, which prevents EU countries from prohibiting the sale of goods that have already been legally sold in another EU country. This applies even where countries have different national requirements covering the same good.

As an example, a bicycle made to comply with French national requirements and sold in France can then lawfully be marketed in other EU countries – even though those countries may have different national requirements for bicycles.

The only exceptions to the mutual recognition principle are restrictions which EU countries can introduce on grounds such as public safety, public policy and public morality.

EU countries' right to restrict the circulation of these goods, for the above reasons, is regulated by the [EU Mutual Recognition Regulation \(764/2008\)](#). As well as setting out rules and procedures, it establishes product contact points in each EU country which respond to requests for information about national regulations.

How processes will change

In the event of a 'no deal' scenario, the UK would no longer fall within the scope of the mutual recognition principle.

This means that if you export non-harmonised goods to the EU market you will need to consider the national requirements of the first EU country you export to. You won't need to consider the national requirements of any EU countries goods travel through before reaching the EU country in which they are intended to be placed on the market.

If you have already exported a non-harmonised good to an EU country by meeting the relevant national requirements, you will still be able to make use of the mutual recognition principle and market your product in other EU countries.

Trading goods regulated under the 'New Approach'

EU legislation sets out the rules, or 'essential safety requirements', which certain products must meet before they are placed on the EU market.

If you trade in goods covered by these specific EU directives and regulations, you should read the guidance on [page 10](#) of this pack, and read the technical notice on [Trading goods regulated under the 'New Approach' if there's no Brexit deal](#).

Things you can do now

If you expect to be exporting to the EU after 29 March 2019, you should now consider the effect of a 'no deal' exit on your business.

1. Read the government's existing guidance for exporting outside of the EU to familiarise yourself with the key processes. On GOV.UK, search for 'Export goods' and then select 'Exporting goods outside the EU'.
2. Take account of the volume of your trade with the EU and any potential supply chain impacts.
3. Consider how you will submit customs declarations for EU trade, if required, including whether to engage a customs broker, freight forwarder or logistics provider or whether to get the right software and authorisations to do it yourself.
4. If you deal with intellectual property-protected goods, you may wish to seek legal advice on how a 'no deal' scenario could affect your business model or intellectual property rights.
5. If you trade under the mutual recognition principle, check that the goods you import to the UK meet [relevant UK national regulations](#). This list not may not exhaustive.
6. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
7. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Traders with the EU and the rest of the world^Δ

The trade that you carry out with the EU will broadly follow the customs controls that you follow for the rest of the world – you will need to adapt your business to comply with these systems, processes and controls for your EU trade.

Transit of non-EU goods within the EU

The Common Transit Convention (CTC) facilitates cross-border movements of goods between contracting parties to the Convention, by enabling any charges due on those goods to be paid only in their country of destination.

The UK is currently in discussions with the EU to retain membership of the Common Transit Convention. If the UK is no longer a member of the Common Transit Convention, it will no longer be possible to begin or complete transit movements in the UK using the CTC process.

Dealing with import VAT

If the UK leaves the EU without an agreement, the government will introduce postponed accounting for import VAT on goods brought into the UK. If you're a UK VAT registered business importing goods to the UK, you will be able to account for import VAT on your VAT return, rather than paying import VAT when the goods arrive at the UK border. This will apply to imports from the EU and non-EU countries.

To reach this decision, the government took into account the views of businesses and sought to mitigate any adverse cash-flow impacts and ensure that VAT processes are kept as close as possible to what they are now.

To ensure equity of treatment, in a 'no deal' scenario, you can account for your import VAT from non-EU countries in the same way, which will help you to make the most of trading opportunities around the world.

We will issue more guidance setting out further detail on accounting and record keeping requirements soon.

VAT on parcels sent by overseas businesses

If the UK leaves the EU without an agreement, VAT will be payable on goods entering the UK as parcels, sent by overseas businesses.

Low Value Consignment Relief (LVCR) will no longer apply to any parcels arriving in the UK, aligning the UK with the global direction of travel on LVCR. This means that all goods entering the UK as parcels, sent by overseas businesses, will be liable for VAT unless they are already relieved from VAT under domestic rules (for example zero-rated children's clothing).

For parcels valued up to and including £135, of non-excise goods, a technology-based solution will allow VAT to be collected from the overseas business selling the goods to the UK. Overseas businesses will charge VAT at the point of purchase and will be expected to register with an HMRC digital service to account for VAT due.

The digital service is an online registration, accounting, and payments service for overseas businesses. On registration, businesses will be provided with a Unique Identifier which will accompany the parcels they send into the UK. They will then declare the VAT due on those parcels and pay this via their online account. This ensures the process of paying VAT on parcels does not become burdensome for UK consumers and businesses.

To give overseas businesses sufficient time to familiarise themselves with their new obligations, the online service will be available for businesses to register in early 2019, prior to 29 March.

On goods worth more than £135 sent as parcels, VAT will continue to be collected from UK recipients in line with [current procedures](#) for parcels from non-EU countries. VAT will also continue to be collected in line with current procedures for all excise goods sent as parcels and potentially in cases where their supplier is not compliant with HMRC's new parcels policy. HMRC is working with the relevant industry stakeholders and will provide further information in due course.

VAT on vehicles imported to the UK

If the UK leaves the EU without an agreement, you should continue to [notify HMRC](#) about vehicles brought into the UK from abroad, using the online [Notification of Vehicle Arrival Procedures \(NOVA\) system](#), to ensure that VAT is correctly paid.

The rules on the movement of goods to the UK from the EU will change when the UK leaves the EU and, as a result, you will have to pay import VAT on vehicles you bring into the UK from EU countries. Certain reliefs will also be available, as with current imports of vehicles from non-EU countries.

The Driver Vehicle Licensing Agency (DVLA) will not register a vehicle brought into the UK for use on UK roads unless it has a valid NOVA notification or it has been registered using the DVLA secure registration scheme.

Dealing with VAT on exports

If you're a VAT-registered business, you will continue to be able to zero-rate sales of goods to EU businesses but you won't be required to complete European Commission (EC) Sales List. This means there will be changes to how these sales are recorded.

You will need to keep evidence to prove that goods have left the UK, to support the zero-rating of the supply. Most businesses already maintain this evidence as part of current processes and the required evidence will be similar to that currently required for exports to non-EU countries, with any differences to be communicated in due course.

If you are selling goods to EU consumers, distance selling arrangements will no longer apply to your business and you will be able to zero-rate the sales.

Current EU rules would mean that EU countries will treat goods entering the EU from the UK in the same way as goods entering from other non-EU countries with associated import VAT and customs duties due when the goods arrive into the EU. Individual EU countries may have different import VAT rules for non-EU countries and import VAT payments may be due at the border when you are importing goods.

You should check the relevant import VAT rules in the EU country concerned.

UK businesses selling their own goods in an EU country to customers in that country

If the UK leaves the EU without an agreement, you will be able to continue to sell goods you have stored in an EU country to customers in the EU, in line with current Rest of World rules.

Current EU rules would mean that you will continue to be required to register for VAT in the EU countries where sales are made, in order to account for the VAT due in those countries.

You can access the [EU Commission's website](#) for more information on:

- EU rules for storing non-union goods in an EU country before selling or exporting
- registering for VAT in EU countries.

Changes to VAT IT systems

If the UK leaves the EU without an agreement, the UK will stop being part of EU-wide VAT IT systems. However, you can still use these systems to handle transactions you made before EU Exit.

UK VAT Mini One Stop Shop (MOSS): MOSS is an online service that allows EU businesses that sell digital services to consumers in other EU countries to report and pay VAT via a single return and payment in their home country. Non-EU businesses can also use the system by registering in an EU country.

In a 'no deal' scenario, you will no longer be able to use the UK's MOSS portal to report and pay VAT on sales of digital services to consumers in the EU.

If you want to continue to use the MOSS system, you will need to register for the VAT MOSS non-union scheme in an EU country. You can only do this after the date the UK leaves the EU.

The non-union MOSS scheme requires you to register by the 10th of the month following a sale, so you will need to register by 10 April 2019 if you make a sale from the 29 to 31 March 2019, and by 10 May 2019 if you make a sale in April 2019.

Alternatively, you can register in each EU country where sales are made.

There is more information on the [EU Commission's website](#).

EU VAT Refund System: You will no longer have access to the EU VAT Refund System but you can still claim refunds of VAT from an EU country by using the existing processes for non-EU businesses. This process varies across the EU and you will need to make yourself aware of the processes in the individual countries where you incur costs and want to claim a refund.

There is more information about claiming VAT refunds from EU countries on the [EU Commission's website](#).

EU VAT Registration Number Validation: This service allows businesses to check whether a customer or supplier's VAT number is valid. You will still be able to use the EU VAT number validation service to check the validity of EU business VAT registration numbers. UK VAT registration numbers will no longer be part of this service. In the event of 'no deal', HMRC is developing a system so that UK VAT numbers can continue to be validated. We know this is important for certain businesses to carry out due diligence.

Northern Irish businesses importing from Ireland

The UK government is clear that in a 'no deal' scenario we must respect our unique relationship with Ireland, with whom we share a land border and who are co-signatories of the Belfast Agreement.

The UK government has consistently placed upholding the Agreement and its successors at the heart of our approach. We recognise the basis it has provided for the deep economic and social cooperation on the island of Ireland.

It is the responsibility of the UK government to continue preparations for the full range of potential outcomes, including 'no deal'. In such a scenario, the UK would stand ready to engage constructively to meet our commitments and act in the best interests of the people of Northern Ireland, recognising the very significant challenges that the lack of a UK-EU legal agreement would pose in this unique and highly sensitive context. This would include engagement on arrangements for land border trade. We will provide more information in due course.

The Irish Government has indicated it would need to discuss arrangements in the event of 'no deal' with the European Commission and EU countries. We would recommend that, if you trade across the land border, you should consider whether you will need advice from the Irish Government about preparations you need to make.

Exhaustion of intellectual property rights

Intellectual property rights give the business, organisation or individual that holds the rights (the right holder) certain exclusive entitlements, which include the right to control distribution of a protected product. The exhaustion of intellectual property (IP) rights refers to the loss of the right to control distribution and resale of that product after it has been placed on the market within a specified territory by, or with the permission of, the right holder.

The UK is currently part of a regional European Economic Area (EEA) exhaustion scheme, meaning that IP rights are considered exhausted once they have been put on the market anywhere in the EEA with the rights holder's permission.

In a 'no deal' scenario, the UK will continue to recognise the EEA regional exhaustion regime from exit day to provide continuity in the immediate term for businesses and consumers.

This approach means there will be no change to the rules affecting imports of goods into the UK, and businesses that undertake this activity may continue unaffected.

Ongoing UK recognition of the EEA regional exhaustion area will ensure that parallel imports of goods, such as pharmaceuticals, can continue from the EEA. A parallel import is a non-counterfeit product which is imported into a country where the intellectual property rights in that product have already been exhausted.

While there will be no change for the importation of goods into the UK, there may however be restrictions on the parallel import of goods from the UK to the EEA. Businesses undertaking such activities may need to check with EU right holders to see if permission is needed.

The implications for UK businesses are that:

- intellectual property-protected goods placed on the EEA market by, or with the consent of, the right holder after the UK has exited the EU will continue to be considered exhausted in the UK. This means that parallel imports of these goods from the EEA to the UK will be able to continue unaffected.
- goods placed on the UK market by or with the consent of the right holder after the UK has exited the EU will not however be considered exhausted in the EEA. This means that businesses exporting these goods from the UK to the EEA might need the right holder's consent.

The government is currently considering all options for how the exhaustion regime should operate after this temporary period, and is undertaking a research programme to support this decision. The government will be working closely with business representatives, trade associations and other stakeholders on the implications of our plans.

The Intellectual Property Office has also published a [factsheet on intellectual property rights and EU Exit](#).

Trading under the mutual recognition principle

Some manufactured goods, such as furniture, textiles, bicycles, and cooking utensils are subject to national regulations rather than EU-wide rules.

These non-harmonised goods can circulate on the EU market under the mutual recognition principle, which prevents EU countries from prohibiting the sale of goods that have already been legally sold in another EU country. This applies even where countries have different national requirements covering the same good.

As an example, a bicycle made to comply with French national requirements and sold in France can then lawfully be marketed in other EU countries – even though those countries may have different national requirements for bicycles.

The only exceptions to the mutual recognition principle are restrictions which EU countries can introduce on grounds such as public safety, public policy and public morality.

EU countries' right to restrict the circulation of these goods, for the above reasons, is regulated by the [EU Mutual Recognition Regulation \(764/2008\)](#). As well as setting out rules and procedures, it establishes product contact points in each EU country which respond to requests for information about national regulations.

In the event of a 'no deal' scenario, the UK would no longer fall within the scope of the mutual recognition principle.

This means that:

- if you import non-harmonised goods into the UK you will need to ensure they meet UK national requirements, even if your goods were previously lawfully marketed in another EU country

- non-UK businesses exporting non-harmonised goods to the UK will need to ensure that the goods meet UK national requirements, regardless of whether they were previously lawfully marketed in another EU country or in the UK
- if you export non-harmonised goods to the EU market you will need to consider the national requirements of the first EU country you export to. You won't need to consider the national requirements of any EU countries goods travel through before reaching the EU country in which they are intended to be placed on the market
- if you have already exported a non-harmonised good to an EU country by meeting the relevant national requirements, you will still be able to make use of the mutual recognition principle and market your product in other EU countries.

Trading goods regulated under the 'New Approach'

EU legislation sets out the rules, or 'essential safety requirements', which certain products must meet before they are placed on the EU market.

If you trade in goods covered by these specific EU directives and regulations, you should read the guidance on [page 10](#) of this pack, and read the technical notice on [Trading goods regulated under the 'New Approach' if there's no Brexit deal](#).

Existing trade agreements with non-EU countries

If the UK leaves the EU without a deal, the government will seek to bring into force bilateral UK-third country agreements that replicate the effects of existing EU free trade agreements from exit day, or as soon as possible thereafter.

These new agreements will replicate existing EU agreements and the same preferential effects with third countries as far as possible, while making the technical changes needed to ensure the agreements operate in a bilateral context. Ministers and officials are engaging regularly with partner countries to complete this work. The timing of when we reach final agreements with partner countries will depend on our ongoing discussions with them.

The government's intention is that the effects of new bilateral agreements will be identical to, or substantially the same as, the EU agreements they replace. However, if you use current EU free trade agreements you should be aware that, in contrast to the current situation and during any Implementation Period, there may be practical changes to how you make use of preferences under these new agreements. For example, UK and EU content will be considered distinct, and each new agreement will individually specify what origin designations may be used to qualify for preferences.

The government will aim to limit these changes as far as possible, but the final form of new agreements and any resulting changes will depend on ongoing discussions with our trading partners.

The government will publish a report before these new free trade agreements are ratified on any significant changes to the new trade-related provisions.

Where arrangements to maintain particular preferences in a 'no deal' scenario are not in place with a particular country by the date the UK exits the EU, trade with that country would take place on World Trade Organization (WTO) terms, which means you would pay the applied Most Favoured Nation tariff. This is the tariff applied equally to all countries in the absence of preferential arrangements.

In the event of 'no deal', the government will determine and publish a new UK Most Favoured Nation tariff schedule before we leave the EU.

Importing from developing countries under the EU's Generalised Scheme of Preferences

If the UK leaves the EU without a deal, the EU's Generalised Scheme of Preferences (GSP) for developing countries will no longer apply to the UK.

The UK government will implement its own independent GSP scheme for day one of a 'no deal' scenario, with its own administration arrangements – but will aim to retain much of the same existing administration arrangements as the EU.

To ease the transition, the UK will retain the same qualifying operations as the EU's rules of origin and will continue to use FORM A as proof of origin.

If the UK is no longer able to use the EU's Registered Exporter Scheme (REX) then REX may become an invalid proof of origin mechanism. FORM A will be valid in this case.

Things you can do now

If you expect to be trading with the EU after 29 March 2019, you should now consider the effect of a 'no deal' exit on your business.

1. Consider any changes you may need to make if you have to follow the same or similar processes to trade with the EU as you do with the rest of the world.
2. Take account of the volume of your trade with the EU and any potential supply chain impacts.
3. Consider whether you could use customs procedures to delay or relieve the payment of customs duty until your goods are ready to be released into free circulation. A customs broker, freight forwarder or logistics provider can advise in the event of a 'no deal' scenario whether one of these procedures would be suitable for your business. These procedures include:
 - customs warehousing: allows you to store goods without paying duty or import VAT. When the goods leave the warehouse, you must pay duty on them unless the business is re-exporting, or moving goods to another customs procedure. The warehouse must be authorised by HMRC
 - inward processing: allows you to import goods from non-EU countries for work or modification in the EU. When this has been completed, you must pay any customs duty and VAT due, unless goods are re-exported or moved to another customs procedure, or released to free circulation

- temporary admission: allows you to temporarily import and/or export goods such as samples, professional equipment or items for auction, exhibition or demonstration into the UK or EU. As long as the goods are not modified or altered while they are within the EU, you will not have to pay duty or import VAT
- authorised use: allows a reduced or zero rate of customs duty on some goods when used for specific purposes and within a set time period.

For excise duty purposes, goods are not regarded as imported if they are immediately placed under one of these customs procedures. You will need to pay excise duty when these goods are released for free circulation, unless they are immediately placed in excise duty suspension.

1. Talk to your courier, haulier or freight forwarder to explore how changes to transit systems may impact your business and how your goods are moved.
2. If you deal with intellectual property-protected goods, you may wish to seek legal advice on how a 'no deal' scenario could affect your business model or intellectual property rights.
3. If you trade under the mutual recognition principle, check that the goods you import to the UK meet [relevant UK national regulations](#). This list not may not exhaustive.
4. If you import from developing countries using the EU's Generalised Scheme of Preferences, you should consider the effect of a 'no deal' scenario on your business.
5. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
6. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Traders with the rest of the world only^Δ

UK customs processes for rest of the world trade will not be affected. However, as a UK business trading with the rest of the world, you may find you will need to adapt certain systems, or processes.

This is because the EU facilitated some trading processes with the rest of the world in order to make them smoother for EU members, and which UK traders may have used through the UK's membership. You may also find that it's different when dealing with EU-based customs intermediaries.

HMRC is currently introducing its new [Customs Declaration Service \(CDS\)](#), which replaces its Customs Handling of Import and Export Freight (CHIEF) system. Read information about how CDS is being introduced and what businesses need to do to prepare on [GOV.UK](#).

If you trade with the rest of the world only, the following will apply.

How VAT accounting processes will change

If the UK leaves the EU without an agreement, the government will introduce postponed accounting for import VAT on goods brought into the UK from the EU.

This means that UK VAT registered businesses importing goods to the UK will be able to account for import VAT on their VAT return, rather than paying import VAT when the goods arrive at the UK border. This will apply to imports from the EU and non-EU countries.

To reach this decision, the government took into account the views of businesses and sought to mitigate any adverse cash-flow impacts and ensure that VAT processes are kept as close as possible to what they are now.

To ensure equity of treatment, in a 'no deal' scenario, businesses will be able to account for their import VAT from non-EU countries in the same way, which will help to make the most of trading opportunities around the world.

We'll issue more guidance setting out further detail on accounting and record keeping requirements soon.

If the UK leaves the EU without an agreement, VAT will be payable on goods entering the UK as parcels, sent by overseas businesses, unless they are already relieved from VAT under domestic rules (for example, zero-rated children's clothing).

For parcels valued up to and including £135, of non-excise goods, the government will use a technology-based solution to allow VAT to be collected from the business selling the goods into the UK.

If the parcels are worth more than £135, you will still need to pay VAT, in line with current procedures. This includes procedures for all excise goods sent as parcels and potentially in cases where your supplier has not complied with HMRC's new parcels policy. More information will be available soon.

Changes to VAT IT systems

EU VAT Registration Number Validation: This service allows you to check whether a customer or supplier's VAT number is valid. You will still be able to use the EU VAT number validation service to check the validity of EU business VAT registration numbers. UK VAT registration numbers will no longer be part of this service. In the event of 'no deal', HMRC is developing a system so that UK VAT numbers can continue to be validated. We know this is important for certain businesses to carry out due diligence.

Transit of non-EU goods within the EU

The UK is currently in discussions with the EU to retain membership of the Common Transit Convention (CTC). If the UK is no longer a member of the Common Transit Convention, it will no longer be possible to begin or complete transit movements in the UK using the CTC process.

How excise processes will change

If the UK leaves the EU without a deal, the [Excise Movement and Control System \(EMCS\)](#) will no longer be used to move duty-suspended excise goods traded with the EU, but will still be used to move duty-suspended excise goods internally within the UK.

There won't be any changes if you are currently exporting duty-suspended alcohol, tobacco or fuel to the rest of the world. Unless any simplified arrangements apply, you will continue to use EMCS to record duty-suspended movements of excise goods to and from places of export or import in the UK. You'll also need to submit declarations to customs or employ a customs agent to clear the goods for export.

There will also be no changes if you are currently exporting duty paid alcohol, tobacco or fuel with the rest of the world. You will still be able to reclaim UK excise duty paid (Drawback) on exports to the rest of the world, provided you meet certain conditions – for example, having evidence to prove that the goods have left the UK.

Existing trade agreements with non-EU countries

If the UK leaves the EU without a deal, the government will seek to bring into force bilateral UK-third country agreements that replicate the effects of existing EU free trade agreements from exit day, or as soon as possible thereafter.

These new agreements will replicate existing EU agreements and the same preferential effects with third countries as far as possible, while making the technical changes needed to ensure the agreements operate in a bilateral context. Ministers and officials are engaging regularly with partner countries to complete this work. The timing of when we reach final agreements with partner countries will depend on our ongoing discussions with them.

The government's intention is that the effects of new bilateral agreements will be identical to, or substantially the same as, the EU agreements they replace. However, if you use current EU free trade agreements you should be aware that, in contrast to the current situation and during any Implementation Period, there may be practical changes to how you make use of preferences under these new agreements. For example, UK and EU content will be considered distinct, and each new agreement will individually specify what origin designations may be used to qualify for preferences.

The government will aim to limit these changes as far as possible, but the final form of new agreements and any resulting changes will depend on ongoing discussions with our trading partners.

The government will publish a report before these new free trade agreements are ratified on any significant changes to the new trade-related provisions.

Where arrangements to maintain particular preferences in a 'no deal' scenario are not in place with a particular country by the date the UK exits the EU, trade with that country would take place on World Trade Organization (WTO) terms, which means you would pay the applied Most Favoured Nation tariff. This is the tariff applied equally to all countries in the absence of preferential arrangements.

In the event of 'no deal', the government will determine and publish a new UK Most Favoured Nation tariff schedule before we leave the EU.

Importing from developing countries under the EU's Generalised Scheme of Preferences

If the UK leaves the EU without a deal, the EU's Generalised Scheme of Preferences (GSP) for developing countries will no longer apply to the UK.

The UK government will implement its own independent GSP scheme for day one of a 'no deal' scenario, with its own administration arrangements – but will aim to retain much of the same existing administration arrangements as the EU.

To ease the transition, the UK will retain the same qualifying operations as the EU's rules of origin and will continue to use FORM A as proof of origin.

If the UK is no longer able to use the EU's Registered Exporter Scheme (REX) then REX may become an invalid proof of origin mechanism. FORM A will be valid in this case.

Things you can do now

You should now consider the effect of a 'no deal' exit on your business.

1. Talk to your courier, haulier or freight forwarder to explore how changes to transit systems may impact your business and how your goods are moved. For example, if you are doing business with the rest of the world you may wish to explore direct imports to the UK instead of transshipment via the EU.
2. If you import from developing countries using the EU's Generalised Scheme of Preferences, you should consider the effect of a 'no deal' scenario on your business.
3. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.





What to expect on day one of a 'no deal' scenario: Businesses supplying services to the EU^Δ

Businesses that trade with the EU will broadly follow the same customs controls as businesses trading with the rest of the world – so they will need to adapt their business to comply with these systems, processes and controls.

If you are a business supplying services to the EU, the following will apply.

How VAT accounting processes will change

If the UK leaves the EU without an agreement, the main VAT place of supply rules will remain the same for UK businesses.

The current 'place of supply' rules determine the country in which you need to charge and account for VAT. These rules are in line with [international standards](#) set out by the Organisation for Economic Co-operation and Development (OECD).

The rules around place of supply will continue to apply in broadly the same way as they do now. If you're supplying digital services to non-business customers in the EU the place of supply will continue to be where the customer resides. VAT on services will be due in the EU country within which your customer is a resident.

If you're supplying insurance and financial services, input VAT deduction rules for financial services supplied to the EU may be changed. We will update businesses with more information soon.

Changes to VAT IT systems

If the UK leaves the EU without an agreement, the UK will stop being part of EU-wide VAT IT systems.

UK VAT Mini One Stop Shop (MOSS): MOSS is an online service that allows EU businesses that sell digital services to consumers in other EU countries to report and pay VAT via a single return and payment in their home country. Non-EU businesses can also use the system by registering in an EU country.

In a 'no deal' scenario, you will no longer be able to use the UK's MOSS portal to report and pay VAT on sales of digital services to consumers in the EU.

If you want to continue to use the MOSS system, you will need to register for the VAT MOSS non-union scheme in an EU country. This can only be done after the date the UK leaves the EU. The non-union MOSS scheme requires you to register by the 10th of the month following a sale, so you will need to register by 10 April 2019 if you make a sale from the 29 to 31 March 2019, and by 10 May 2019 if you make a sale in April 2019. Alternatively, you can register in each EU country where sales are made.

There is more information on the [EU Commission's website](#).

EU VAT Refund System: You will no longer have access to the EU VAT Refund System but you can still claim refunds of VAT from an EU country by using the existing processes for non-EU businesses. This process varies across the EU and you will need to make yourself aware of the processes in the individual countries where you incur costs and want to claim a refund.

There is more information about claiming VAT refunds from EU countries on the [EU Commission's website](#).

EU VAT Registration Number Validation: This service allows businesses to check whether a customer or supplier's VAT number is valid. You will still be able to use the EU VAT number validation service to check the validity of EU business VAT registration numbers. UK VAT registration numbers will no longer be part of this service. In the event of 'no deal', HMRC is developing a system so that UK VAT numbers can continue to be validated. We know this is important for certain businesses to carry out due diligence.

Exhaustion of intellectual property rights

Intellectual property rights give the business, organisation or individual that holds the rights (the right holder) certain exclusive entitlements, which include the right to control distribution of a protected product. The exhaustion of intellectual property (IP) rights refers to the loss of the right to control distribution and resale of that product after it has been placed on the market within a specified territory by, or with the permission of, the right holder.

The UK is currently part of a regional European Economic Area (EEA) exhaustion scheme, meaning that IP rights are considered exhausted once they have been put on the market anywhere in the EEA with the rights holder's permission.

In a 'no deal' scenario, the UK will continue to recognise the EEA regional exhaustion regime from exit day to provide continuity in the immediate term for businesses and consumers.

This approach means there will be no change to the rules affecting imports of goods into the UK, and businesses that undertake this activity may continue unaffected.

Ongoing UK recognition of the EEA regional exhaustion area will ensure that parallel imports of goods, such as pharmaceuticals, can continue from the EEA. A parallel import is a non-counterfeit product which is imported into a country where the intellectual property rights in that product have already been exhausted.

While there will be no change for the importation of goods into the UK, there may however be restrictions on the parallel import of goods from the UK to the EEA. Businesses undertaking such activities may need to check with EU right holders to see if permission is needed.

The implications for UK businesses are that:

- intellectual property-protected goods placed on the EEA market by, or with the consent of, the right holder after the UK has exited the EU will continue to be considered exhausted in the UK. This means that parallel imports of these goods from the EEA to the UK will be able to continue unaffected.
- goods placed on the UK market by or with the consent of the right holder after the UK has exited the EU will not however be considered exhausted in the EEA. This means that businesses exporting these goods from the UK to the EEA might need the right holder's consent.

The government is currently considering all options for how the exhaustion regime should operate after this temporary period, and is undertaking a research programme to support this decision. The government will be working closely with business representatives, trade associations and other stakeholders on the implications of our plans.

The Intellectual Property Office has also published a [factsheet on intellectual property rights and EU Exit](#).

Things you can do now

If you expect to be supplying services to the EU after 29 March 2019, you should consider now the effect of a 'no deal' exit on your business.

1. Consider any changes you may need to make to adapt to new processes and systems.
2. If you deal with intellectual property-protected goods, you may wish to seek legal advice on how a 'no deal' scenario could affect your business model or intellectual property rights.
3. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
4. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.





What to expect on day one of a 'no deal' scenario: Express courier industry and postal services

Businesses that trade with the EU will broadly follow the same customs controls as businesses trading with the rest of the world – so they will need to adapt their business to comply with these systems, processes and controls.

If you operate an express courier service or a postal service, the following will apply.

How customs processes will change

The customs controls that apply to rest of the world trade will apply for all trade moving between the UK and the EU, which may mean you receive more parcels that require declarations.

How VAT processes will change

If the UK leaves the EU without an agreement, VAT will be payable on goods entering the UK as parcels, sent by overseas businesses.

Low Value Consignment Relief (LVCR) will no longer apply to any parcels arriving in the UK, aligning the UK with the global direction of travel on LVCR. This means that all goods entering the UK as parcels, sent by overseas businesses will be liable for VAT unless they are already relieved from VAT under domestic rules (for example zero-rated children's clothing).

For parcels valued up to and including £135, a technology-based solution will allow VAT to be collected from the overseas business selling the goods into the UK. Overseas businesses will charge VAT at the point of purchase and will be expected to register with an HMRC digital service and account for VAT due.

The digital service is an online registration, accounting, and payments service for overseas businesses. On registration, businesses will be provided with a Unique Identifier which will accompany the parcels they send into the UK. They will then declare the VAT due on those parcels and pay this via their online account.

This ensures the process of paying VAT on parcels does not become burdensome for UK consumers and businesses. To give overseas businesses sufficient time to familiarise themselves with their new obligations, the online service will be available for businesses to register in early 2019, prior to 29 March.

On goods worth more than £135 sent as parcels, VAT will continue to be collected from UK recipients in line with [current procedures](#) for parcels from non-EU countries. VAT will also continue to be collected in line with current procedures for all excise goods sent as parcels and potentially in cases where their supplier is not compliant with HMRC's new parcels policy. HMRC is working with the relevant industry stakeholders and will provide further information in due course.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business.

1. Assess the impact of this increased demand for declarations on your business, and consider recruiting and training additional customs agents.
2. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Tour operators

Businesses that trade with the EU will broadly follow the same customs controls as businesses trading with the rest of the world – so they will need to adapt their business to comply with these systems, processes and controls.

If you are a tour operator supplying services to the EU, the following will apply.

How VAT accounting processes will change

If the UK leaves the EU without an agreement, the main VAT place of supply rules will remain the same for UK businesses.

The current 'place of supply' rules determine the country in which you need to charge and account for VAT. These rules are in line with [international standards](#) set out by the Organisation for Economic Co-operation and Development (OECD).

The rules around place of supply will continue to apply in broadly the same way that they do now. If you're supplying digital services to non-business customers in the EU the place of supply will continue to be where the customer resides. VAT on services will be due in the EU country within which your customer is a resident.

The Tour Operators Margin Scheme is an EU VAT accounting scheme for businesses that buy and sell on certain travel services that take place in the EU. HMRC has been engaging with the travel industry and will continue to work with businesses to minimise any impact.

Changes to VAT IT systems

If the UK leaves the EU without an agreement, the UK will stop being part of EU-wide VAT IT systems.

EU VAT Registration Number Validation: This service allows you to check whether a customer or supplier's VAT number is valid. You will still be able to use the EU VAT number validation service to check the validity of EU business VAT registration numbers.

UK VAT registration numbers will no longer be part of this service. In the event of 'no deal', HMRC is developing a system so that UK VAT numbers can continue to be validated. We know this is important for certain businesses to carry out due diligence.

Things you can do now

If you expect to be operating in the EU after 29 March 2019, you should consider now the effect of a 'no deal' exit on your business.

1. Consider any changes you may need to make to adapt to new processes and systems.
2. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Organisations, businesses, and individuals in the creative, cultural and sport sectors[†]

If the UK leaves the EU without any deal on 29 March 2019, the UK will be considered a third country for customs purposes in the EU, and you will have to make import and export declarations.

You need to consider if you need or wish to take any action if you're taking your sports team, performing arts group or production, exhibition, or creative samples to the EU temporarily, because everybody moving goods across borders is subject to customs procedures.

You can read about [trading with the EU if there's no Brexit deal](#) for guidance for importers and exporters of goods. It applies to everyone who will be moving objects in and out of the UK to the EU – even if the movement is for non-commercial purposes, or if the movement is temporary.

If you're intending to take items temporarily to and from the EU for cultural, creative or sporting activities there will be certain processes you may wish to consider using before, during, and after your trip.

This guidance is not exhaustive, and it is not to be taken as legal guidance, because it cannot take account of your specific circumstances.

This guidance will apply if you're a small arts organisation, creative business or sports organisation that currently travels only to the EU, such as:

- touring professional choir
- touring chamber orchestra
- touring string quartet
- small touring ballet company
- small touring theatre company
- school football team
- amateur sports team
- pop or rock band.

If you're involved in larger arts organisations, creative businesses, and sports organisations, you are more likely to be aware of any potential changes and have measures in place, however, the guidance still applies.

Questions to consider before your trip

You might wish to consider:

- do you know exactly what you are taking with you and its value? You might need to be able to identify all your items to the customs authorities, and you will need to know their value for customs declarations. Read [how to value items for UK customs purposes](#)
- do you know about the customs processes in the country you are travelling to? Most countries have procedures for temporary admission of goods. Read about the [processes for temporary admission of goods to the UK](#), which might be similar

- do you wish to engage a customs intermediary (such as a broker or a freight forwarder) to help you plan your journeys and navigate customs procedures? If you do, it might be worth asking them about the suitability and cost-effectiveness of the procedures involved.

There are several procedures that might make customs more straightforward for you:

- consider if you could use a [‘declaration by conduct’ or ‘oral declaration’](#) (involving a paper form). Depending on your circumstances, these may be more straightforward and cost-effective than a full written customs declaration. However, ‘oral declaration’ might take longer at the border
- consider if you could use an ATA Carnet – a paper document that can take the place of a range of customs declarations, which you might find to be convenient depending on your circumstances. This is particularly likely to be the case if you are travelling to more than one customs territory. Read [guidance about the ATA Carnet from the London Chamber of Commerce and Industry](#) which is the UK authority for these.
- if you intend to bring the items back into the UK, make sure you have proof that the items were here before you took them abroad, otherwise you may be taxed on re-entry. The best proof is a copy of an export declaration, but other documents may be accepted on a discretionary basis. Read [guidance on the best types of proof for exporting goods that will return](#)

- check if anything you are taking abroad contains material from species under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). If it does, you should check you have the necessary licences. Read [guidance on CITES](#) and the section for ‘Businesses and individuals moving endangered species between the UK and the EU’ in this partnership pack
- consider your obligations if you’re taking any firearms abroad (for example, for sporting or theatrical purposes) Read [guidance on firearms import and export control rules for the UK](#)
- consider if any of the objects you are moving are ‘objects of cultural interest’ or ‘cultural’ goods. If they are, you should check whether you will need a licence to take them out of the UK. Read [guidance on the current procedures](#) and the technical notice on [‘Exporting objects of cultural interest if there’s no Brexit deal’](#).

On and after your return: can you claim tax relief?

If you are returning to the UK with objects that you took with you from the UK and that remain unchanged, you should consider whether you can claim ‘returned goods relief’. This means that you do not have to pay tax on the value of these goods when returning them into the UK.

To claim this relief, you will need proof that you took these goods out from the UK in the first place. The best proof is a copy of your export declaration, but customs authorities may discretionarily accept other forms of proof. Read [the procedures for claiming returned goods relief](#).

You should be aware that if you are returning with goods that have been travelling with you under an ATA Carnet, it is important to have your Carnet counter-foils stamped on your return to the UK. If you don’t, you may be pursued for tax due on their import.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business or activity.

1. Consider any changes you may need to make to adapt to new processes and systems.
2. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
3. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.





What to expect on day one of a 'no deal' scenario: Traders importing live animals, animal products and high-risk food and feed from the EU and the rest of the world[†]

If the UK leaves the EU without a deal on 29 March 2019, you will need to adapt your business to comply with new systems, processes and controls, but the government will take steps to smooth the transition.

Importing direct from the EU

Currently, live animals and some very specific animal products brought into the UK direct from the EU (such as germplasm) require the exporter to provide either an Export Health Certificate (EHC) or, more generally, an EU-specific version of an EHC, known as an Intra-Trade Animal Health Certificate (ITAHC).

For all other animal products imported direct from the EU, no certification is required and no specific processes need to be followed.

There are additional requirements when transporting live vertebrate animals for commercial or economic activity. For all journeys, the transporter must hold a valid Transporter Authorisation and drivers and attendants must hold a Certificate of Competence.

For journeys over eight hours within the EU, vehicles must also have a valid vehicle approval certificate. Transporter Authorisations, Certificates of Competence and Vehicle Approval Certificates must be issued by an EU country. For journeys over eight hours, where farm livestock and unregistered horses will be transported, the transporter must also hold a Journey Log.

How processes will change if you import direct from the EU

If the UK leaves the EU without a deal, the government will ensure a smooth transition by making no changes on day one to current import controls or notification requirements for live animals and animal products imported direct from the EU.

The EU system for import notifications – Trade Control and Expert System (TRACES) – will be replaced by a new UK system. This system will be available for early testing in January 2019 and will be fully operational for all users from the day the UK leaves the EU. It has been developed to replicate TRACES functionality and representatives from key user groups are involved in the design, testing and preparation of the system. Guidance and training material will be available several months ahead of March 2019.

To maintain high levels of food safety, the UK will require importers of high-risk food and feed to pre-notify the Food Standards Agency (FSA) of imports from the EU. The Department for Environment, Food and Rural Affairs (DEFRA) and the FSA are working to establish when such a requirement could be satisfactorily introduced. More information will be released later in 2018.

This requirement will have no direct impact at the border. If you're introducing high-risk foods into the UK, you will make pre-notifications electronically in advance – and this would be managed by the FSA. No additional controls will be introduced at the border.

For an interim period, the UK will continue to recognise Transporter Authorisations, Certificates of Competence, Vehicle Approval Certificates and Journey Logs issued by other EU countries.

UK-issued documents would only be valid for use in the UK and not in any other EU country.

If you're a UK transporter wishing to transport live animals in the EU, you will need to appoint a representative within an EU country and apply to their relevant government department to obtain a valid Transporter Authorisation, Certificate of Competence, Vehicle Approval Certificate and, where necessary, a Journey Log.

Importing from outside the EU

Currently, goods are notified to the UK using the EU's Trade Control and Expert System (TRACES). Health certificates are required and veterinary checks are carried out on entry to the UK at a Border Inspection Post (BIP), an inspection post approved for carrying out veterinary checks on animals and animal products entering the EU.

Goods originating in countries outside the EU, destined for the UK, which enter the EU to transit onwards to the UK, are normally checked at the first point of entry into the EU. Once they have entered the EU they are subject to normal rules for imports to the UK from within the EU.

How processes will change if you import from outside the EU

If the UK leaves the EU without a deal, there will be no change to current import controls and requirements for notifications of live animals, animal products, and high-risk food and feed imported directly from outside the EU.

The only difference is that importers would need to use a new UK import notification system, rather than TRACES, the EU's import notification system. This system will be available for early testing in

January 2019 and will be fully operational for all users from the day the UK leaves the EU.

This system has been developed to replicate TRACES functionality and representatives from key user groups are involved in the design, testing and preparation of the system. Guidance and training material will be available several months ahead of March 2019.

Changes will apply to control requirements for imports of third country live animals, animal products and high-risk food and feed which move through the EU before arrival in the UK:

Live animals: the requirement for live animal imports from a third country, which move through the EU before arrival in the UK, to enter via a UK BIP is being reviewed, as all live animals would have been subject to checks at the point of entry to the EU. You will still be required as an importer to notify the UK authorities using the new import notification system.

Animal products and high-risk food and feed: you will need to notify UK authorities using the new import notification system and will be directed to an existing UK BIP, where the relevant checks would take place. This requirement will ensure the current level of biosecurity is maintained.

Overall, there will be an increase in the number of consignments requiring import control checks at BIPs as a result of the need to carry out these checks on transit items that are currently carried out elsewhere in the EU. Those carrying out the checks at the BIP will receive notifications on the new import notification system to support checks and controls, and they will be fully trained to minimise the impact at the border and reduce the chance of delays.

Things you can do now

If you expect to be importing live animals, animal products and high-risk food and feed from the EU or the rest of the world after 29 March 2019, you should consider now the effect of a 'no deal' exit on your business.

1. Read the government's existing guidance for importing outside of the EU, to familiarise yourself with the key processes. On GOV. UK, search for 'Starting to import' and then select 'Importing from non-EU countries'.
2. Take account of the volume of your trade with the EU and any potential supply chain impacts.
3. Consider the impact on your role in supply chains with EU partners. In a 'no deal' scenario, trade with the EU will be on non-preferential, World Trade Organization terms. This means that Most Favoured Nation tariffs and non-preferential rules of origin will apply to consignments between the UK and EU.
4. If necessary, put steps in place to renegotiate commercial terms to reflect any changes in customs and excise procedures, any additional requirements for checks (for example, for imports of agrifood) and any new tariffs that may apply to UK-EU trade.
5. Consider how you will submit customs declarations for EU trade, if required, including whether to engage a customs broker, freight forwarder or logistics provider or whether to get the right software and authorisations to do it yourself.
6. Consider how you will meet other requirements for imports (for example, of agrifood), such as pre-notifications to the relevant government agency in advance of arrival at the border. This may include the requirement to register on an IT system. You may also wish to consider whether to engage an agent or whether to do it yourself. You can find out more information in the government's EU Exit technical notices or by contacting the relevant agency or department.
7. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
8. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Traders exporting live animals, animal products and high-risk food and feed to the EU and the rest of the world[†]

If the UK leaves the EU without a deal on 29 March 2019, you will need to adapt your business to comply with new systems, processes and controls, but the government will take steps to smooth the transition.

Exporting direct from the EU

Currently, exporting live animals and some very specific animal products (such as germplasm) to the EU requires exporters to provide either an Export Health Certificate (EHC) or, more generally, an EU-specific version of an EHC known as an Intra Trade Animal Health Certificate (ITAHC). For all other animal products, no certification is required and no specific processes must be followed.

To obtain EHCs and ITAHCs, exporters contact the Animal and Plant Health Agency (APHA), or the Department of Agriculture, Environment & Rural Affairs (DAERA) in Northern Ireland, providing details of the consignment, its destination and travel arrangements, as well as their preferred Official Veterinarian or authorised signatory to certify their products. APHA or DAERA issues a paper EHC for the exporter to provide to the country of import.

There are additional requirements when transporting live vertebrate animals for commercial or economic activity. For all journeys, the transporter must hold a valid Transporter Authorisation and drivers and attendants must hold a Certificate of Competence.

For journeys over eight hours within the EU, vehicles must also have a valid vehicle approval certificate. Transporter Authorisations, Certificates of Competence and Vehicle Approval Certificates must

be issued by an EU country. For journeys over eight hours where farm livestock and unregistered horses will be transported, the transporter must also hold a Journey Log.

How processes will change if you export direct to the EU

If the UK leaves the EU without a deal, you will need EHCs for exports of all animal products and live animals from the UK to the EU. Consignments will need to travel through a Border Inspection Post (BIP) within the EU and EHCs will need to be signed by an Official Veterinarian or authorised signatory following inspection of the consignment.

To prepare for the potential increase in EHC numbers, work is underway to make the application process simpler, and ensure there is enough capacity among appropriately trained veterinarians or authorised signatories to approve the additional certificates. Stakeholders will be informed of any changes to the existing process.

In a 'no deal' scenario, the EU will require the UK to be a listed third country. The UK would apply for this status but cannot be certain of the EU response or its timing. Without listed status, no exports to the EU could take place. We are confident, however, that the UK meets the animal health requirements to secure listing, as other countries such as Australia and New Zealand have done.

In a 'no deal' scenario, the EU will also no longer recognise transport authorisations, Certificates of Competence, or vehicle approval certificates issued by the UK. These would remain valid for transport within the UK only.

Therefore, UK transporters wishing to transport live animals in the EU will need to appoint a representative within an EU country and apply to their relevant government department to obtain a valid Transporter Authorisation, Certificate of Competence, Vehicle Approval Certificate and, where necessary, a Journey Log.

Journey Logs will need to be obtained from the EU country that is the initial point of entry into the EU for export and, as an exporter, you will need to present your transport documentation at a Border Inspection Post in the EU.

Regular guidance, training materials and updates will be issued to industry to support exporters in preparing to leave the EU.

Exporting outside the EU

To export animal products and live animals to countries outside the EU, exporters must apply for, and be issued with, an Export Health Certificate (EHC). This certificate is an official document, signed by a veterinarian or authorised signatory, and is specific to the commodity being exported and the destination country. The EHC proves the consignment complies with the quality and health standards of the destination country.

To obtain EHCs, exporters contact the Animal and Plant Health Agency (APHA), or the Department of Agriculture, Environment & Rural Affairs (DAERA) in Northern Ireland, providing details of the consignment, its destination and travel arrangements, as well as their preferred Official Veterinarian or authorised signatory to certify their products. APHA or DAERA issues a paper EHC for the exporter to provide to the country of import.

There are additional requirements when transporting live vertebrate animals for commercial or economic activity. For all journeys, the transporter must hold a valid Transporter Authorisation and drivers and attendants must hold a Certificate of Competence.

For journeys over eight hours within the EU, vehicles must also have a valid vehicle approval certificate. Transporter Authorisations, Certificates of Competence and Vehicle Approval Certificates must be issued by an EU country. For journeys over eight hours where farm livestock and unregistered horses will be transported, the transporter must also hold a Journey Log.

How the process will change if you are exporting outside the EU

If the UK leaves the EU without a deal, requirements for trade to third countries outside the EU should not change.

However, changes will be required to the wording of the documentation, which would need to be agreed with the destination country, to reflect the fact the UK is no longer a member of the EU.

DEFRA will work to agree updates for all existing EHCs, prioritising the countries to which the UK exports the highest volumes. If you are exporting to a non-EU third country you will need to check, before export, the latest version of the EHC for that particular destination.

Things you can do now

If you expect to be exporting live animals, animal products and high-risk food and feed to the EU and the rest of the world after 29 March 2019, you should now consider the effect of a 'no deal' exit on your business.

1. Read the government's existing guidance for exporting outside of the EU to familiarise yourself with the key processes. On GOV.UK, search for 'Export goods' and then select 'Exporting goods outside the EU'.
2. Consider how you will submit customs declarations for EU trade, if required, including whether to engage a customs broker, freight forwarder or logistics provider or whether to get the right software and authorisations to do it yourself.
3. Consider how you will meet other requirements for imports (for example, of agrifood), such as obtaining the necessary certification to prove that goods meet EU standards. This may include the requirement to register on an IT system or to have checks carried out in advance of export. You can find out more information in the Government's EU Exit Technical Notices or by contacting the relevant agency or department.
4. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
5. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses and individuals moving horses and other equines between the UK and the EU[†]

If you are moving horses and other equines between the UK and other EU countries you must currently follow EU rules.

These require equines to travel with two documents which confirm fitness to travel and absence of disease: an ID document (passport) which also includes details of their health status; and either an Intra-Community Trade Animal Health Certificate (ITAHC) or a veterinary attestation, depending on the purpose of movement and type of equine.

Equines moving between EU countries do not need to do so via a Border Inspection Post.

Under a separate tripartite agreement, movements of certain types of horse between the UK, Ireland and France are streamlined further.

Movements between the UK and Ireland only require an ID document.

Movements between the UK and France require an ID document and commercial document (DOCOM), and an entry on the Trade Control and Expert System (TRACES).

How processes would change

If the UK leaves the EU on 29 March 2019 without a deal, there would be immediate changes to the procedures that apply to equine movements.

The UK would be treated as a 'third country' and any movement of equines to countries within the EU would be subject to EU third country rules. The tripartite agreement would no longer be valid.

A horse or other equine would need an appropriate ID document and appropriate health documentation to travel.

ID document (passport): Industry-issued equine passports would continue to be used in the UK to help maintain a robust national equine health and traceability regime. They would continue to be valid for EU travel for horses registered either on a studbook or pedigree register, or with a national branch of an international organisation for racing or competition.

All other equines travelling from the UK to the EU would have to travel with a new government-issued ID document. As an owner, you would need to apply to the Animal and Plant Health Agency (APHA) in Great Britain or the Department of Agriculture, Environment and Rural Affairs (DAERA) Veterinary Service in Northern Ireland, for a new government-issued ID document, unless your horse was already registered on a studbook or pedigree register or with a national branch of an international organisation for racing or competition.

Export certification: As the UK would be a third country, you would need an Export Health Certificate (EHC) in order to move equines to the EU. The EU currently imposes additional requirements on third countries depending on perceived level of disease risk.

The UK currently has a low-risk profile for disease, which we would expect to mean a less burdensome process for certification. However, you would need a vet to confirm the absence of equine disease, which could involve increased cost if additional blood tests are required. These are estimated to be between £200 and £500. You would need to apply to APHA (in Great Britain) or DAERA's Veterinary Service (in Northern Ireland) for the new export certification required by the EU.

Equines travelling to the EU from the UK would have to pass through a Border Inspection Post in an EU country.

An Official Vet could deal with the veterinary elements of both of these in a single visit. The process is the same as that currently in place for Intra-Community Trade Animal Health Certificates (ITAHCs), so we do not anticipate that producing the required documents would take significantly longer. However, you would need to factor in time to complete any necessary blood tests.

To note, this process would require the UK to be a listed third country. In the unlikely event of a 'no deal' scenario, the UK would apply for this status but cannot be certain of the EU response, or its timing.

Without listed status, no equine movements to the EU could take place. We are confident that the UK meets the animal health requirements to secure listing, as other countries such as Australia and New Zealand have done so.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business or activity.

1. Consider any changes you may need to make to adapt to new processes and systems in the event of a 'no deal'. This should include the alterations that may need to be made to existing transport routes, additional time that may be required to plan and complete moves and additional costs that may be incurred.
2. Ensure you understand the difference between those equines that will require a government-issued ID document in order to travel to the EU and those that will not, and can communicate this to your customers.
3. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
4. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses and individuals moving endangered species between the UK and the EU[†]

Global trade and movement of endangered animals or plants, or their products (for example skin, fur, teeth, shell, feathers, blood or seeds) is controlled under the Convention in International Trade in Endangered Species of Wild Fauna and Flora (CITES).

In the EU, CITES is implemented via the EU Wildlife Trade Regulations, which set requirements for trade in certain species within, to and from the EU and the rest of the world.

All CITES-listed species are contained in Annexes A to D of the EU Wildlife Trade Regulations.

Annex A species have the highest level of protection – in the EU, their commercial use is prohibited, except where a certificate has been issued for a specific prescribed purpose.

Annex B, C and D species can currently be freely traded within the EU. Commonly traded Annex B items include caviar, snowdrops, orchids, corals, reptiles, and alligator skin. The [Species+ database](#) includes details of all CITES-listed species.

How processes will change

If the UK leaves the EU on 29 March 2019 without a deal, species that are currently moved freely and traded between the UK and the EU (all of those listed in Annexes B - D) would require a CITES permit or import/export notification, apart from some specific exceptions.

Dealings or movement of CITES products or species within the UK or between the UK and countries outside the EU would not change.

If you are a business or individual importing or exporting CITES-listed species between the UK and the EU, you would need to meet the following requirements.

For Annex A and B listed species:

- imports to the UK from the EU would need an export permit (or re-export certificate) from the EU country the item is moving from, and an import permit from the Animal and Plant Health Agency (APHA)
- exports from the UK to the EU would need an export permit (or re-export certificate) from APHA and an import permit from the relevant EU country.

For Annex C listed species:

- imports to the UK from the EU would need an export permit (or re-export certificate) from the relevant EU country and an import notification upon entry to the UK
- exports from the UK to the EU would need an export permit (or re-export certificate) from APHA and an import notification upon entry to the EU country.

For Annex D listed species:

- imports to the UK from the EU would need an import notification upon entry to the UK
- exports from the UK to the EU would need an import notification upon entry to the EU country.

If you are a business or individual importing species from the EU, you would need to consider the routes and points of entry allowed for import and export of species, including making sure suitable facilities are in place for handling live animals. Further information around border entry points will be published in due course.

In certain prescribed circumstances, there are exemptions from needing to comply with CITES regulations, meaning a simplified process. For example, a permit is often not required for captive-bred and artificially-propagated plants, [personal and household effects](#) and exchanges between scientific institutions.

Details of how to obtain a CITES permit in the UK are available on [GOV.UK](#), as are current details of [fees for CITES permits](#) as well as [designated CITES points of entry](#).

Things you can do now

You should consider now the effect of a 'no deal' exit on your business or activity.

1. Consider any changes you may need to make to adapt to new processes and systems.
2. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
3. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Traders importing plants and plant products from the EU[†]

Currently there are no border controls on most imports of plants and plant products between the UK and the EU. Some plants and plant products that present a higher biosecurity risk are managed under the EU plant passport regime.

How the process will change

If the UK leaves the EU without a deal, the UK will become a third country, but as the majority of plants and plant products from the EU are low-risk, they will continue to enter the UK freely, as they do now.

There will be some exceptions:

Plants and plant products managed under the EU plant passport regime: Plants and plant products currently managed under the EU plant passport regime will be subject to UK import controls to replace the assurance and traceability offered by the EU plant passport regime, maintaining biosecurity while minimising the impact on businesses.

Consignments of these plants and plant products entering the UK will require a Phytosanitary Certificate (PC) issued in the country of export (or re-export), and you or your agent will need to inform the relevant plant health authority in the UK before the consignment arrived. Further details of [how to inform the relevant plant health authority](#) are available on GOV.UK.

You or your agent will also need to provide scanned copies of the PC and relevant documents in advance to the relevant UK plant health authority, and supply the original copy of the PC once the consignment has arrived.

Consignments of such plants and plant products from EU countries will not be stopped at the border. The relevant UK plant health authority will carry out documentary and identity checks remotely, and these checks will be charged for by the plant health authority.

As currently, plant health inspectors will continue to carry out follow-up inspections inland on a risk-targeted basis. The government does not charge for such inspections.

Plants and plant products moving within the UK: There will be a new UK plant passport regime. Plants and plant products currently covered by the EU plant passport regime when moved within the UK will be managed by the new UK regime. If you wish to move these plants and plant products within the UK you will need to be authorised by the relevant UK plant health authority to issue UK plant passports. You will need to issue plant passports when moving those plants and plant products within the UK.

Plants and plant products that come from non-EU countries, but travel to the UK via the EU without an EU country carrying out plant health checks: These commodities will be treated as non-EU imports and subject to third country controls on arrival in the UK. Further details on current [third country controls](#) are available on GOV.UK. Detail on alternative arrangements for points of entry that do not have capacity to carry out third country controls at the border will be made available in due course.

Things you can do now

If you expect to be importing from the EU after 29 March 2019, you should consider now the effect of a 'no deal' exit on your business.

1. Read the government's existing guidance for importing outside of the EU, to familiarise yourself with the key processes. On GOV.UK, search for 'Starting to import' and then select 'Importing from non-EU countries'.
2. Take account of the volume of your trade with the EU and any potential supply chain impacts.
3. If necessary, put steps in place to renegotiate commercial terms to reflect any changes in customs and excise procedures, any additional requirements for checks and any new tariffs that may apply to UK-EU trade.
4. Consider how you will submit customs declarations for EU trade, if required, including whether to engage a customs broker, freight forwarder or logistics provider or whether to get the right software and authorisations to do it yourself.
5. Take account of the commodities you are trading with the EU. If you are importing goods currently managed under the EU Plant Passport regime, you will need to follow the process outlined above to import these goods from the EU on day one. Read a list of [commodities managed under the EU Plant Passport regime](#).
6. Consider the country of origin of commodities that you trade with the EU. If you currently bring in material from the EU that originates in third countries, it may require checks at the UK border in a 'no deal' scenario if plant health checks have not been carried out in the EU first. Read a list of [commodities that are controlled from third countries and associated import requirements](#).
7. Consider how you will notify the relevant UK plant health authority when you are importing controlled plant material from the EU. You will need to register on the PEACH IT system if you are bringing goods into the UK at a port in England or Wales. [Read details of how to register](#).
8. Take account of where your goods enter the UK. If you are bringing in controlled plant material from non-EU countries via a roll-on roll-off port, there may be alternative arrangements put in place to manage checks on this material. Further detail on any such requirements will be made available in due course, and you may wish to consider whether there are alternative routes that you could use.
9. Take account of the commodities that you are moving within the UK. Where you currently move goods with a plant passport, you will need to replace references to 'EU' with 'UK' in plant passport documents. Some goods require plant passports for onward movements in the UK after import. Read more information on [GOV.UK](#).
10. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
11. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Traders exporting plants and plant products to the EU[†]

Currently there are no border controls on most exports of plants and plant products between the UK and the EU. Some plants and plant products that present a higher biosecurity risk are managed under the EU plant passport regime.

How the process will change

If the UK leaves the EU without a deal, the UK will become a third country, and will need to meet EU third country import requirements to export controlled plants and plant products to the EU, including controls on all plants for planting and all wood packaging material.

The process for sending controlled plants and plant products to the EU will be the same as the current process for sending them to third countries. Under this process, businesses need to apply for a Phytosanitary Certificate (PC) from the relevant UK plant health authority before they can export. Some commodities require laboratory testing of samples to ensure they are free from pests and diseases, while others also need to have had an inspection during the growing season.

These services are subject to fees and charges. More information about [fees and charges](#) is available on GOV.UK.

Consignments of controlled plants and plant products exported to the EU from the UK may be subject to checks at the EU border.

Exporting Wood Packaging Material

Wood packaging material (WPM), including pallets, crates, boxes, cable drums, spools and dunnage, moving between the UK and the rest of the EU does not currently need to meet International Standard for Phytosanitary Measure No.15 (ISPM15) requirements and can move freely without checks or controls. WPM moving in and out of Portugal and parts of Spain must conform to ISPM15 standards, owing to the presence of pinewood nematode.

If the UK leaves the EU without a deal, all WPM moving between the UK and the EU will need to be ISPM15 compliant (treated and marked). These products may be subject to official checks either upon entry to the EU or after entry.



Things you can do now

If you expect to be exporting to the EU after 29 March 2019, you should now consider the effect of a 'no deal' exit on your business.

1. Read the government's existing guidance for exporting outside of the EU to familiarise yourself with the key processes. On GOV.UK, search for 'Export goods' and then select 'Exporting goods outside the EU'.
2. Find out what controls might apply to plants and plant products moving to the EU, and what you need to do to meet third country requirements, by visiting GOV.UK and reading the [guidance on importing plants and plant products into the UK from third countries](#).
3. Take account of the volume of your trade with the EU and any potential supply chain impacts.
4. Consider how you will meet the EU requirements for exports from third countries. This may include requirements for testing in advance of export, and you may need to register with the relevant authority. Exporters in England and Wales may need to register for the [eDomero IT system](#). You can find out more about how to meet EU requirements by contacting your local plant health inspector in the relevant UK plant health authority.
5. Consider how you will submit customs declarations for EU trade, if required, including whether to engage a customs broker, freight forwarder or logistics provider or whether to get the right software and authorisations to do it yourself.
6. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
7. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses buying and selling timber or timber products in the EU[†]

Currently, businesses buying and selling timber or timber products in the EU must ensure it is legal, complying with the EU Timber Regulation (EUTR) and Forest Law Enforcement Governance and Trade (FLEGT) Regulation.

Businesses placing timber on the EU and EEA market for the first time (operators) must carry out due diligence, both for imported and domestically-produced timber, to ensure it comes from legal sources.

Businesses trading products in the EU and EEA market that are already on the market (traders) must keep a record of who they buy it from and sell it to. Monitoring organisations can provide operators with a due diligence system and carry out due diligence for them. They must be recognised by the European Commission.

Timber imported from countries with a FLEGT licensing system under voluntary partnership agreements (VPAs) with the EU – currently only Indonesia – must be accompanied by a FLEGT licence.

This confirms products comply fully with the relevant laws of that country and means the timber is considered to comply with EU requirements so importers do not need to do any further due diligence. Timber covered by a CITES permit is also considered to comply.

How processes will change

If the UK leaves the EU on 29 March 2019 without a deal, businesses importing and exporting timber will need to continue to demonstrate that the timber is legally sourced.

Importing timber from the EU and EEA to the UK: you would have to exercise due diligence to show you are importing legally-harvested timber. This would involve:

- gathering information on timber, including its species, quantity, supplier, country of harvest and compliance with applicable legislation
- assessing the risk of timber being illegal, applying criteria set out in the regulation
- mitigating any identified risk by obtaining additional information or taking further steps to verify legality.

This is what businesses currently have to do when they import timber from outside the EU, and what they have to do when placing timber produced within the UK on the UK market for the first time.

There would be no change for you if you are one of these businesses. As before, you would need to exercise due diligence to confirm the timber is legally harvested. FLEGT licences would continue to be recognised in the UK and to be verified by the Office for Product Safety and Standards.

Exporting timber from the UK to the EU and EEA: EU and EEA businesses would need to apply due diligence to imports from the UK. As a result, it is likely that, if you are a UK-based exporter, you would need to provide relevant documentation about the source and legality of your timber exports to EU and EEA-based importers to enable your customers to meet their due diligence obligations. These systems would vary business by business.

Trading timber within the UK: you would need to continue to keep a record of who you buy timber from and sell timber to.

Enforcement of the UK timber regulation: There would be no additional action for you to take at the border as a result of changes relating to the EUTR. The way it is enforced would stay the same as now and the Office for Product Safety and Standards would continue to check appropriate records are maintained by businesses.

Monitoring organisations: Those established in the UK would automatically continue to be recognised by the UK and remain able to carry out their function for the purposes of the UK timber regulation. Those established outside the UK would not automatically continue to be recognised by the UK. The EU has indicated it will no longer recognise monitoring organisations based in the UK in a 'no deal' scenario.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business or activity.

1. Consider any changes you may need to make to adapt to new processes and systems.
2. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
3. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses selling duty-suspended alcohol, tobacco or fuel in the UK^Δ

Businesses that trade with the EU will broadly follow the same customs controls as businesses trading with the rest of the world – so they will need to adapt their business to comply with these systems, processes and controls.

If you are a business selling duty-suspended alcohol, tobacco or fuel in the UK, the following will apply.

How excise processes will change

If you sell duty-suspended alcohol, tobacco or fuel within the UK only, there will be no change if we leave the EU without a deal on 29 March 2019.

Unless any simplified arrangements apply, you will need to continue using Excise Movement and Control System (EMCS) to record duty-suspended movements of excise goods within the UK – including to and from the places of import or export in the UK.

You will also need to have financial guarantees (excise movement guarantees) with a financial institution for the movement of all goods that currently require them, where no duty has been paid on them within the UK.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business.

1. Assess the impact of any changes on your business, and whether you would need to change any of your systems and processes.
2. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
3. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses trading in rough diamonds[†]

The international trade in rough diamonds is regulated by the Kimberley Process Certification Scheme (KPCS), which imposes extensive requirements on its members to enable them to certify shipments of rough diamonds as 'conflict-free' and prevent conflict diamonds from entering the legitimate trade.

This allows businesses in the UK to trade with participant countries in the KPCS, including EU countries. Currently, the EU represents the UK within the Kimberley Process (KP) for 2018 and its [Council \(EC\) Regulation No 2368/2002](#) implements the KP in the UK.

How processes will change

If the UK leaves the EU on 29 March 2019 without a deal, the UK will need to become an independent participant in the Kimberley Process immediately in order for businesses to continue trading in rough diamonds with countries in the scheme, including EU countries.

The UK government will bring in new laws for the KPCS in the UK, and a new UK KP certificate will replace the EU one.

If the UK government has not secured a way to participate in the KPCS independently by 29 March 2019, the UK trade in rough diamonds will be frozen.

Trading in rough diamonds with the EU: you will require KP certification for trading in rough diamonds with countries in the EU, in the same way as trading with the other KPCS countries. This means:

- all rough diamond exports from the UK (including to the EU) will require UK KP certification
- all rough diamond imports from the EU will require EU KP certification.

Trading if the UK is not a member of the Kimberley Process: you will not be able to trade internationally in rough diamonds if the UK is not a member of the KP until the UK secures independent participation in the scheme.



Things you can do now

If you are a trader in rough diamonds, you should consider now the potential effects of a 'no deal' exit.

1. Consider the requirements of the new KP arrangements with your EU customers and plan accordingly for future trading with minimal disruption after EU Exit.
2. Consider making preparations to have any rough diamonds on consignment or loan to countries in the KPCS (including the EU) returned to you before the UK leaves the EU, to avoid delays while the UK awaits approval of its KP application.
3. Read [more information and updates about the UK's KP application](#) for trading in rough diamonds from the Foreign and Commonwealth Office on GOV.UK.
4. Read the [government's letter to traders about Brexit and the trade in rough diamonds](#) on GOV.UK.
5. Contact the Government Diamond Office by emailing kpuk@fco.gov.uk or calling 020 7008 6903 or 020 7008 5797, Monday to Friday, 9:30am to 3:30pm to discuss the KPCS further.
6. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses and individuals exporting controlled goods[†]

The Export Control Joint Unit (ECJU) is responsible for the UK's system of export controls on:

- military items
- dual-use items (items with both civil and military uses)
- civilian firearms
- items usable for torture.

These items are regulated through a system of export licensing.

The export of many controlled items within the EU does not require a licence. If the UK leaves the EU without a deal, you will need a licence to export these items from the UK to EU countries.

How export processes for controlled goods will change

In the unlikely event of the UK leaving the EU in March 2019 without a deal, EU regulations on the export of civilian firearms, dual-use items and goods that may be used for torture or capital punishment would become UK regulations under the EU (Withdrawal) Act 2018.

This means that current regulations would continue to apply in the same way as they do now, except that they would apply to exports from the UK rather than to exports from the EU Customs Territory.

Military items: There would be no changes to controls on the export of military items from the UK other than minor legislative fixes, as EU regulations do not apply in this area.

Firearms: The European Firearms Pass would no longer be available if you are taking your personal firearms to the EU. The government would extend the exemption that currently applies to the temporary export of firearms as personal effects to the rest of the world, to the EU – but you would need to ensure that your EU destination country also permits the re-export of the firearm.

If you are a dealer or other exporter of firearms, you will need to continue to apply for licences as you do now.

Dual-use items: The overall framework of controls for dual-use exports would not change, but there would be changes to some licensing requirements:

- if you are moving dual-use items from the UK to the EU, you will need an export licence, in the same way as you currently would for non-EU destinations
- if you currently have an export licence issued in the UK, it would no longer be valid for exporting dual-use items from EU countries. You will need a new licence, issued by an EU country
- if you currently have an export licence issued by one of the 27 EU countries, it would no longer be valid for exporting dual-use items from the UK. You will need a new licence, issued by the UK.

If you are exporting civil nuclear material, you should refer to these BEIS technical notices to see what other conditions would apply besides export controls:

- [Civil nuclear regulation if there's no Brexit deal](#)
- [Nuclear research if there's no Brexit deal](#)

Goods usable for torture or capital punishment: The overall framework of controls on these goods would not change, except that exports to EU countries would be treated in the same way as exports to non-EU destinations are treated now.

This means that you will:

- be prohibited from exporting items in Annex II to Council Regulation 2016/2134 to EU countries
- be prohibited from providing brokering, training or advertising services relating to items in Annex II to Regulation 2016/2134 to any person or entity in an EU country
- need a licence to export items in Annexes III & IIIA to Regulation 2016/2134 to EU countries.

Obtaining a licence

The ECJU provides information on controls and licensing. In addition to currently available licences, most exporters of dual-use items would be able to register to use an Open General Export Licence designed specifically for exports to EU countries. This licence would remove the need for you to apply for individual licences and could be used immediately following a straightforward registration process.

In a 'no deal' scenario, the ECJU would publish the new Open General Export Licence in advance of the UK leaving the EU, along with further information on how to register to use it.

If you are an exporter and you need individual licences, you would also be able to apply for these licences in advance of the exit date. Further guidance on this would be issued in advance of the UK leaving the EU.

Things you can do now

If you export controlled goods to EU countries, you should consider now the effect of a 'no deal' exit.

1. You should check whether the items you export may be subject to control and whether you will need an export licence. To understand what controls would apply, licensing provisions in current legislation for a "third country" (a non-EU country) can be taken as a guide to the licensing provisions for exports to EU countries in the case of a 'no deal' scenario.
2. You should [refer to guidance](#) from the ECJU about how to apply for a licence.
3. You should plan to put in place internal processes for your business to ensure compliance.
4. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
5. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses trading in civil explosives[†]

Currently anyone importing civil explosives into the EU, or transferring them through the EU, requires an approval from the EU country where the transfer ends. This is called an Intra Community Transfer approval and each EU country through which the civil explosives transfer must also add their authorisation for the transfer to the Intra Community Transfer.

Civil explosives manufactured in, or imported to, the EU must be marked with a unique site code provided by an EU country to the manufacturer or EU-based importer. This code is recognised by all EU countries. An accompanying record must be held to enable traceability of the civil explosives through the supply chain.

How processes will change

If the UK leaves the EU without an exit deal, we will not be an EU country for the purposes of transfers of civil explosives through the EU internal market, so will not be able to issue an Intra Community Transfer.

This means that if you transfer (import) civil explosives to the UK you will need a standalone approval from a UK competent authority (Great Britain or Northern Ireland depending on where the transfer ends in the UK) before the civil explosives are imported. Intra Community Transfer approvals issued by UK competent authorities prior to exit for multiple transfers will continue to be recognised until they expire.

The UK will recognise existing site codes on civil explosive products imported to the UK where the site code has been issued by another EU country. The UK will not require you as an importer to add a new code. However, to continue effective traceability through the supply chain, you will need to contact a UK competent authority (Great Britain or Northern Ireland depending on the place of import) to notify them of any existing site code on the civil explosives being imported. The competent authority will then link this existing code to you as the UK-based importer.

The UK government will continue to work with the Northern Ireland Civil Service to ensure that a coherent civil explosives regime continues to operate across the UK.

What this means for your business

If you have previously obtained an Intra Community Transfer approval from a UK competent authority (Great Britain or Northern Ireland depending on where the transfer ended) for a transfer across the EU internal market, you will now need to obtain an Intra Community Transfer from the final EU country where the transfer ends.

You will then need a new UK approval for the transfer (now import) to the UK from the relevant UK competent authority (Great Britain or Northern Ireland depending on where the transfer ends in the UK).

If you import civil explosives into the UK, you will need to contact the relevant UK competent authority (Great Britain or Northern Ireland depending on where the civil explosives are imported to) to provide them with details of any existing site code on the civil explosive product.

Things you can do now

If you trade in civil explosives, you should consider now the effect of a 'no deal' exit on your business.

1. Plan to put in place internal processes for your business to ensure compliance.
2. Read the UK government's technical notice on [Trading goods regulated under the 'New Approach' in the event of a 'no deal' scenario](#).
3. Read the UK government's [technical notice on exporting controlled goods](#)
4. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses supplying medicines and medical devices[†]

If the UK leaves the EU without a deal, people should be reassured and have confidence in the government's plans for continuity of medicines supply.

If you're a pharmaceutical company supplying the UK with medicines from, or via, the EU or European Economic Area (EEA), the Department of Health and Social Care (DHSC) is asking you to make sure you have a minimum of six weeks' additional supply in the UK, over and above your business as usual operational buffer stocks, by 29 March 2019. Read DHSC's letter to [pharmaceutical companies](#).

DHSC has also asked suppliers to indicate how they propose to ensure continuity of supply of their products to the NHS as part of the contingency programme.

Since writing to pharmaceutical companies, DHSC has received good engagement from the industry, and we know that you share the UK government's aim of ensuring and maintaining the continued supply of medicines for patients.

If you're a pharmaceutical company, DHSC will continue to work closely with you to ensure that your UK stockpiles of medicines are sufficient to cope with any potential delays at the border that may arise in the short term.

Medical devices and clinical consumables

If you are a supplier of medical devices and clinical consumables, DHSC is asking you to continue to review your supply chains and assess the implications of a 'no deal' scenario upon your product ranges, and the potential contingencies that might be required.

Read [DHSC's letter to suppliers of medical devices and clinical consumables](#).

DHSC has adopted a contingency planning approach that will help ensure the continued supply of medical devices and clinical consumables in the event of a 'no deal' scenario.

As part of that approach, DHSC has undertaken an analysis of supply chains for medical devices and clinical consumables, identifying those products routinely imported into the UK from other countries in the EU. One of DHSC's contingency measures is to increase stock held at national level, and its NHS Supply Chain colleagues are working with suppliers who import from the EU to establish the action required to achieve this.

In addition, arrangements are being made to facilitate the continued movement of medical devices and clinical consumables that are routinely supplied from other EU countries directly to NHS organisations. In conjunction with representatives from industry and trade associations, DHSC has set up a working group to test and refine its contingency plans, and the mechanisms by which suppliers will interact with these processes.

Medical radio-isotopes

The government considers the continuity of supply of medical radio-isotopes to be a high priority matter following the UK's withdrawal from the EU and Euratom.

The government's approach to [medicine supply contingency planning](#) in the event of a 'no deal' EU Exit recognises that there are some products, such as medical radio-isotopes, that have short shelf lives and cannot be stockpiled.

If you're a supplier of medical radio-isotopes, the government will consider how to support you in making arrangements to avoid any border delays that may arise.

Batch testing and clinical trials

If you're an organisation running clinical trials in the UK, DHSC encourages you to consider your supply chains for Investigational Medicinal Products (IMPs) in the event of a 'no deal' scenario. DHSC is working with industry partners and others, including charities, to do this.

If you are running clinical trials that use IMPs which come from or via the EU or EEA, you will need to ensure appropriate arrangements to assure supplies in the event of any possible border delays that may arise in the short term.

If the UK leaves the EU without an exit deal, we will no longer be a member of the European Medicines Agency but will continue to recognise batch testing of human medicines carried out in EU and EEA states for a time limited period.

The UK will also continue to accept batch testing of Investigational Medicinal Products (IMPs) – substances used in medical trials – manufactured in EU and EEA states. There will be no change to the present arrangements for batch testing of IMPs manufactured in third countries.

For human medicines manufactured in the UK, we will continue to require a UK-based Qualified Person (QP) to certify the batch testing

and to ensure compliance with the Marketing Authorisation (MA) and Good Manufacturing Practice (GMP) guidelines, before these medicines can be sold or supplied in the UK.

For human medicines manufactured in a third country and directly imported into the UK, we will continue to require a UK-based QP to certify the batch testing, as well as to ensure compliance with the MA and with GMP guidelines, before they can be sold or supplied in the UK.

Read more about [batch testing medicines in a 'no deal' scenario](#).

Manufacturer's Authorisation (MIA) licences

Currently there are two MIA licences, issued by the Medicines and Healthcare products Regulatory Agency (MHRA), that relate to importing licensed medicines into the UK. These are:

Manufacturer licences: to qualify for a manufacturer licence to make, assemble or import human medicines, you need to show the MHRA that you comply with EU good manufacturing practice and pass regular inspections of your site.

Wholesaler licences: to sell or supply medicines to anyone other than the patient using the medicine, you need a wholesaler licence – also known as a wholesale dealer licence or wholesale distribution authorisation. To qualify, you must comply with good distribution practice and pass regular inspections of your site.

The MHRA has launched a consultation on the implications of a 'no deal' scenario for these licences, as this would mean EU/EEA-based operations would be considered to be within a third country. The MHRA has been clear that they will work pragmatically with suppliers to ensure medicines adhere to appropriate regulatory safety standards in a 'no deal' scenario.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business or activity.

1. If you're a pharmaceutical company supplying the UK with medicines from, or via, the EU or European Economic Area (EEA), you should make sure you have a minimum of six weeks' additional supply in the UK, over and above your business as usual operational buffer stocks, by 29 March 2019.
2. If you're a supplier of medical devices and clinical consumables, you should review your supply chains and assess the implications of a 'no deal' scenario upon your product ranges, and the potential contingencies that might be required.
3. If you're an organisation running clinical trials in the UK, you should consider your supply chains for Investigational Medicinal Products (IMPs) in the event of a 'no deal' scenario.
4. Read the government's technical notice on [how medicines, medical devices and clinical trials would be regulated if there's no Brexit deal](#).
5. Read the government's technical notice on [submitting regulatory information on medical products if there's no Brexit deal](#).
6. Read details of the government's [Medicines Supply Contingency Planning Programme](#).
7. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
8. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: UK licensed establishments working with organs, tissues and cells[†]

If the UK leaves the EU without any deal on 29 March 2019, the UK can still import and export organs, tissues and cells from and to EU countries.

If you're a UK licensed establishment working with organs, tissues and cells, such as hospitals, stem cell laboratories, tissue banks and fertility clinics you will continue to work to the same quality and safety standards as before exiting the EU. However, some UK establishments will need new written agreements with relevant EU establishments.

How processes will change

Tissues and cells for human use, including reproductive cells:

If you're a UK licensed establishment that imports or exports tissues or cells from European Economic Area (EEA) establishments you will need to make written agreements with those EEA establishments to continue importing or exporting these products post-exit, under a 'no deal' scenario.

If you're a UK licensed establishment that already holds an import licence to import tissues and cells from third countries you can use your existing written agreements with third country organisations as a template.

Organs for transplantation: NHS Blood and Transplant (NHSBT) is the organisation responsible for organ donation and transplantation in the UK. It is working with the UK regulator for organs, the Human Tissue Authority (HTA), to ensure that appropriate written agreements are in place with EU organisations to allow organ exchange to continue post-exit.

Transplant centres do not need to take any further action.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business or activity.

1. Consider any changes you may need to make to adapt to new processes and systems.
2. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
3. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Traders in drug precursor chemicals[†]

If the UK leaves the EU without any deal on 29 March 2019, EU regulations on trading in drug precursor chemicals would no longer apply to the UK.

The UK would be treated by the EU as a 'third country', which means the current rules for trading in drug precursor chemicals with countries outside the EU will apply for UK-EU trade.

How processes will change

You will need to apply for an import and/or export licence or licences when trading with EU countries in certain categories of drug precursor chemicals (see table below for details).

You might also need a pre-export notification (PEN) to trade in certain drug precursor chemicals, depending on the category of chemical and individual country's requirements.

Import or export applications could take seven working days to process, so you are advised to factor this into your manufacturing and distribution timescales.

If a PEN is also needed, this means that the substance cannot be shipped for 15 days while the importing authority considers the export.

If you only handle drug precursor chemicals in the UK, or only trade with non-EU countries, there will be no change to the licensing and registration requirements.

Read [more information about trading in drug precursor chemicals under a 'no deal' scenario](#).



Changes to rules for trading within the EU

Chemical category	Domestic licensing/registration requirements	Import and export licensing/registration requirements
Category 1	<p>No change.</p> <p>A domestic licence is always required if you are using drug precursors in the UK, trading within the EU or exporting/importing with third countries.</p>	<p>Change in requirements.</p> <p>You will need to apply for an import and export licence and PEN.</p>
Category 2A	<p>Change in requirements.</p> <p>You will need to register with the Home Office regardless of volume (currently you are only required to register if more than 100L per annum).</p>	<p>Change in requirements.</p> <p>You will need to apply for an export licence and PEN.</p> <p>No change to import licences.</p>
Category 2B	<p>Change in requirements.</p> <p>You will need to register with the Home Office regardless of volume (currently you are only required to register if it exceeds certain volumes).</p>	<p>Change in requirements.</p> <p>You will need to apply for an export licence. A PEN may be required depending on the importing country's requirements.</p> <p>No change to import authorisations.</p>

Chemical category	Domestic licensing/registration requirements	Import and export licensing/registration requirements
Category 3	<p>Change in requirements.</p> <p>You will need to register with the Home Office if you are exporting quantities which exceed certain volumes (depending on chemical but between 20KG - 100KG per annum).</p>	<p>Change in requirements.</p> <p>You will need to apply for an export authorisation. A PEN may be required depending on the importing country's requirements.</p> <p>No change to import authorisations.</p>
Category 4	<p>No change.</p>	<p>Change in requirements.</p> <p>You may need to apply for an export licence and a PEN depending on the importing country's requirements.</p> <p>No change to import authorisations.</p>

How to register and apply for licences

Read [more information on drug precursor chemical licensing](#) including how to apply for licences and registrations and the associated fees.

You can [apply for a domestic licence and registrations for drug precursor chemicals online](#) now.

Fees are payable for all domestic licences and registrations and range from £109 to £3,655, depending on whether you already hold a licence.

To apply for import and export licences/registrations, you first need to [register for a National Drugs Control System account](#).

Once registered you can then [apply for import and export licences](#). The fee for an individual import or export licence is £24.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business or activity.

1. Consider any changes you may need to make to adapt to new processes and systems.
2. Apply for an import and/or export licence or licences for trading with EU countries in certain categories of drug precursor chemicals (see table above for details).
3. Ensure your company notifies the Home Office's Drug and Firearms Licensing Unit of your intention to export as soon as possible.
4. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
5. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses producing and exporting chemicals from outside the European Economic Area (EEA)[†]

Currently, the UK chemicals industry is regulated through a framework largely based on EU legislation and implemented by the European Chemicals Agency (ECHA).

The main piece of legislation is REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), which requires EU companies to register chemicals with ECHA before placing them on the market and puts in place additional regulatory controls on hazardous chemicals.

Companies producing and exporting chemicals from outside the European Economic Area (EEA) must comply with REACH by ensuring the EU-based importer they supply fulfils the requirements or by procuring the services of an Only Representative (OR).

How processes would change

If the UK leaves the EU on 29 March 2019 without a deal, the government would ensure UK legislation replaces EU legislation, establish a UK regulatory framework and build capacity to deliver the functions currently performed by ECHA. We would maintain existing standards of protection of human health and the environment. The Health and Safety Executive (HSE) would act as the lead UK regulatory authority, building on its existing capacity and capability.

If you are a company registered with REACH, you would no longer be able to sell into the EEA market without transferring your registrations to an EU-based organisation. You would therefore need to take action to preserve your EEA market access.

If you currently import chemicals from an EU country or an EEA country, you would face new registration requirements.

Under the UK's replacement for REACH, importers would have a duty to register chemicals. Similarly, if you are a UK downstream user of authorisations, you would no longer be able to rely on authorisation decisions addressed to companies in the remaining 27 EU countries or EEA countries.

To ensure continuity for business, the government would:

- carry across existing REACH registrations held by UK-based companies directly into the UK's replacement for REACH, legally 'grandfathering' the registrations into the UK regime
- set up a transitional light-touch notification process for UK companies importing chemicals from the EEA before the UK leaves the EU that don't hold a REACH registration. This would reduce the risk of interruption in supply chains for companies currently relying on a registration held by an EEA-based company. This would mean that those UK companies could continue to buy those chemicals from the EEA without any break
- carry into the UK system all existing authorisations to continue using higher-risk chemicals currently held by UK companies.

To ensure we have the information needed to regulate the safe use of chemicals, UK firms would need to take the following actions.

- Businesses with existing EU REACH registrations being automatically grandfathered into the UK regime or authorisations would have to validate their existing registration with the UK authority (HSE), opening an account on the new UK IT system

- and providing some basic information on their existing registration within 60 days of the UK leaving the EU. This IT system is being tested with a range of different users so that it is ready to support registrations of chemicals in the UK from March 2019.
- Companies with grandfathered registrations would have two years from the day the UK leaves the EU to provide the UK authority (HSE) with the full data package that supported their original EU registration and is held on the ECHA IT system.
- Businesses that imported chemicals from the EEA before the UK leaves the EU (but who did not have an EU REACH registration), would need to notify the UK authority (HSE) and provide some basic data on the chemicals within 180 days of the UK leaving the EU, instead of having to undertake a full registration immediately. This would be an interim arrangement for those importers and they would need to move to full registration at a later date following a review of this approach.
- Importing businesses would be responsible for identifying appropriate risk management measures and recommending them to their customers.

If you wish to place new chemicals on the EEA and UK market, in a 'no deal' scenario, you would have to make two separate registrations, one to the EEA and one to the UK. The information and data package needed would be the same for both.

If you are a UK company with existing REACH registrations and you wish to maintain EEA market access, you would need to refer to [guidance on the ECHA website](#) on the steps you need to take.

If you are an existing UK registrant, you would need to transfer your registrations to an appropriate EEA-based entity (such as an affiliate or an Only Representative), or develop new working relationships with EEA customers, before the UK leaves the EU.

If you wish to register new chemicals for the EEA market after the UK leaves the EU, you would need to register those with ECHA as you do now, but would need to do so via your EU customers or an OR. Further guidance on how to do this can be [found on the ECHA website](#).

Imports and exports of mercury

Use, disposal, storage and movement of mercury in the UK is currently regulated through a framework based on EU Regulation 2017/852, which implements the UN Minamata Convention on Mercury.

Currently, it is prohibited to export mercury, mercury waste, the mercury compounds/mixtures listed in Annex I of the Regulation, and mercury-added products listed in Annex II, outside the EU (with certain derogations).

If the UK leaves the EU on 29 March 2019 without a deal, the movement of mercury materials, including mercury waste, from the EU to the UK would be classified as exports, and prohibited under the current EU Regulation.

EU countries would continue to be able to accept mercury waste from the UK for disposal where the exporting country has no access to available conversion capacity within its own territory. The UK would seek to replicate the current situation by only allowing export from the UK to the EU.

The restrictions and derogations on the import of mercury, mixtures and compounds of mercury, and mercury-added products would not change. Export of listed mercury materials outside the EU is prohibited under the current EU Regulation.

As a consequence, operators would not be able to receive shipments from the EU. In 2017, a small quantity of commodity mercury came to the UK from EU countries so we believe this change should have a limited impact on business. The current requirement for business operators to obtain written consent to import mercury or the mixtures of mercury for a use allowed in the UK would continue.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business or activity.

1. Consider any changes you may need to make to adapt to new processes and systems.
2. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
3. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses trading in fluorinated gases and ozone depleting substances[†]

If the UK leaves the EU without any deal on 29 March 2019, the government will maintain the same high standards in regulating fluorinated gases (F-gases) and ozone depleting substances (ODS), which are used as refrigerants, feedstocks for the manufacture of other chemicals, in medical inhalers, fire extinguishers and in a range of other applications.

The majority of the requirements in the EU ODS and F-gas regulations will continue to apply in the same way.

Use of chemicals which damage the ozone layer is currently restricted under the EU Ozone Depleting Substances Regulation, which implements the Montreal Protocol, an international treaty that aims to phase out ozone depleting substances (ODS).

Currently, your company is allocated quotas allowing it to place limited quantities of ODS on the market for certain activities. Certain products containing ODS are banned and your company has to control leakages, report on their usage and apply for a licence to import or export ODS.

Use of the main group of F-gases, known as hydrofluorocarbons (HFCs), is being phased down under the EU Fluorinated Greenhouse Gases Regulation to help address climate change, as well as implementing international obligations under the Montreal Protocol.

Your business is again allocated a quota allowing it to place HFCs on the EU market. To receive an HFC quota, your business needs to have an office or 'Only Representative' in the EU. The regulation also bans certain uses, requires leakage checks and requires handlers of F-gases to be trained and certified, with certificates mutually recognised by EU countries.

How regulations will change

If the UK leaves the EU without any deal on 29 March 2019, the UK will set up its own quota systems and companies will receive two HFC quotas: one for placing on the UK market issued by the UK government and another for placing on the market for EU countries, issued by the EU Commission.

New UK IT systems will be established and administered by the Environment Agency. The reporting requirements on businesses will not change, only the IT systems they use.

If you're a business that produces, imports, or exports HFCs or ODS or products and equipment pre-charged with HFCs or ODS you will need to apply for UK quota to place them on the UK market. You will also use the new UK systems to report on your use of ODS and F-gases.

Fluorinated greenhouse gases

The UK will continue using the same quota method and schedule to phase down HFCs, administered through a separate UK system run by the Environment Agency.

If the UK leaves the EU without any deal, the Environment Agency will notify your company before the end of 2018 of its:

- UK reference value (the baseline for calculating annual UK quota values)
- UK HFC quota for the period from 30 March 2019 to 31 December 2019.

You will also continue to get a quota from the European Commission, adjusted to deduct your UK market share.

Your UK company will need to set up an office or appoint an 'Only Representative' in the EU to remain eligible for EU quota.

If you're a business not based in the UK you will need to appoint an 'Only Representative' in the UK to be eligible for a UK quota.

There will also be a new UK HFC registry and reporting system, to capture the same type of information as is currently recorded on the EU HFC registry and F-gas reporting tool.

Ozone depleting substances

The UK will continue to use a quota system to restrict the use of ozone depleting substances.

Where you currently apply to the European Commission for an ODS quota, instead of this, you will need to:

- apply to the Environment Agency for a quota
- use new UK systems to report to the agency on your use of ODS
- apply to the agency for import and export licences on a new electronic licensing system
- from 29 March 2019, hold a licence to import or export ODS between the UK and EU.

There will be a new IT system to apply for a licence, and guidance on how to use the new system will be made available to users.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business or activity.

1. Consider any changes you may need to make to adapt to new processes and systems.
2. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
3. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Businesses shipping waste into and out of the EU[†]

International shipments of waste are currently controlled through a process of prior written consent, allowing countries exporting hazardous waste to verify that destination countries are content to accept shipments and the waste can be managed in an environmentally sound manner at its final destination.

EU regulation controls the movement of waste into, within and from Europe, for energy recovery or recycling. It prohibits the shipment of waste for disposal, by landfill or incineration, to countries outside the EU and the European Free Trade Area (EFTA) and the export of hazardous waste to countries that are not members of the Organisation for Economic Co-operation and Development (OECD).

Shipments of waste for disposal to or from the UK are prohibited unless they fall under specific exceptions, for example if the UK has specialist facilities for disposal that exporting countries do not have.

How processes will change

If the UK leaves the EU on 29 March 2019 without a deal, UK-issued import/export licences would no longer be valid for shipments of waste to the remaining 27 EU countries, and licences issued by the EU would no longer be valid for shipments to the UK.

Current approvals to ship notified waste between the UK and the EU beyond the 29 March 2019 would be subject to a re-approval process. The same applies to waste shipments transiting the EU.

There is currently no process set out in the EU Waste Shipment Regulations on how notified shipments that have already been approved by UK and EU competent authorities should be re-approved. Defra is contacting other countries to discuss arrangements.

In the case of 'no deal', UK and EU exporters of notified shipments would be advised before the end of November 2018 on the arrangements agreed with the EU.

If you wish to export waste from the UK to another EU country, you would need to familiarise yourself with the [customs guidelines](#) the EU has laid down for imports of waste from outside the EU.

The UK government would need to submit a duly reasoned request (DRR) to the relevant EU competent authority explaining why the country does not have and cannot reasonably acquire the appropriate disposal facilities. DRRs for any exports to the EU of waste for disposal before a notification to export could be submitted by a UK exporter to the relevant UK competent authority.

The export of UK waste for disposal is in most cases prohibited so the impact of this additional step would be unlikely to be significant.

EU states would be prohibited from exporting waste for disposal, or exporting mixed municipal waste for recovery, to the UK under EU law.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business or activity.

1. Consider any changes you may need to make to adapt to new processes and systems.
2. Read guidance on [Maintaining the continuity of waste shipments if there's no Brexit deal](#).
3. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
4. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.





What to expect on day one of a 'no deal' scenario: Haulage companies operating between the UK and the EU

The trade that you carry out with the EU will broadly follow the customs controls that apply for the rest of the world. So, you will need to adapt your business to comply with these new systems, processes and controls.

How the process will change

In a 'no deal' scenario you will need to file safety and security declarations and confirm a customs declaration is in place for goods being moved across borders.

If your drivers are transporting the goods, you will bear legal responsibility for the safety and security declaration and you will need to be able to provide evidence (for example, a reference number) that any relevant customs declarations are in place. The customs declaration is the responsibility of the importer.

Firstly, you need to apply for a UK Economic Operator Registration Identifier (EORI) number, if you don't already have one. An EORI number is assigned to importers and exporters by HMRC, and is used in the process of customs entry declarations and customs clearance for both import and export shipments travelling to or from the EU and countries outside the EU.

If you're bringing EU goods into a UK roll-on roll-off (Ro-Ro) location, for ships or trains designated to carry wheeled cargo, such as lorries, the importer will need to have pre-lodged a declaration, or commenced a special procedure. You may need to declare goods to transit. You will also need to carry evidence that a declaration has been made because you may be asked to produce this by a customs officer.

It will also be important to ensure that all the customs intermediaries in the freight forwarding supply chain have established lines of communication with one another to ensure the status of goods – and the customs processes they are travelling under or destined for – is understood and can be indicated to the customs authorities.

There are two types of safety and security declarations: an Exit Summary Declaration (for exports) and an Entry Summary Declaration (for imports). If you are moving goods from the EU to the UK in driver-accompanied transport you will need to make a safety and security declaration for goods.

You will also need to submit an Exit Summary Declaration to the EU country customs authority from which the goods are leaving.

If you are moving goods from the UK to the EU, the export declaration or the transit declaration is combined with the Exit Summary Declaration and is made by the exporter. You will need to submit an Entry Summary Declaration to the customs authority of the country that your consignment is entering.

You will be assigned a European EORI number the first time you lodge an Entry or Exit Summary Declaration and you should use this number in all declarations.

If you are moving driver-unaccompanied transport between the UK and the EU the legal responsibility for the safety and security declaration lies with the ferry operator or channel tunnel operator.

You can find more information on what needs to be provided on an Entry Summary Declaration or Exit Summary Declaration, and how they are submitted, on the GOV.UK [Starting to import](#) or [Exporting goods outside the EU](#) pages.

Transit of non-EU goods within the EU

The UK is currently in discussions with the EU to retain membership of the Common Transit Convention (CTC). If the UK is no longer a member of the Common Transit Convention, it will no longer be able to begin or complete transit movements in the UK using the CTC process.

Dealing with import VAT

If the UK leaves the EU without an agreement, the government will introduce postponed accounting for import VAT on goods brought into the UK. This means that UK VAT-registered businesses importing goods to the UK will be able to account for import VAT on their VAT return, rather than paying import VAT when the goods arrive at the UK border. This will apply to imports from the EU and non-EU countries.

To reach this decision, the government took into account the views of businesses and sought to mitigate any adverse cash-flow impacts and ensure that VAT processes are kept as close as possible to what they are now.

To ensure equity of treatment, in a 'no deal' scenario, businesses will be able to account for their import VAT from non-EU countries in the same way, which will help to make the most of trading opportunities around the world.

We'll issue more guidance setting out further detail on accounting and record keeping requirements soon.

Changes to VAT IT systems

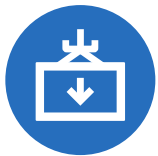
EU VAT Registration Number Validation: This service allows you to check whether a customer or supplier's VAT number is valid. You will still be able to use the EU VAT number validation service to check the validity of EU business VAT registration numbers. UK VAT registration numbers will no longer be part of this service. In the event of 'no deal', HMRC is developing a system so that UK VAT numbers can continue to be validated. We know this is important for certain businesses to carry out due diligence.



Things you can do now

You should consider now the effect of a 'no deal' exit on your business.

1. Consider any changes you may need to make if you have to follow the same or similar processes to carry goods between the UK and the EU as you do with the rest of the world.
2. Assess the impact of an increased demand for safety and security and customs declarations on your business, and consider recruiting and training additional staff.
3. Consider how changes to transit systems may affect how you move goods.
4. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
5. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.
6. Consider checking with your customers that they are aware of the potential changes and how these may impact their business, and suggest they also [register for email alerts](#) on GOV.UK.



What to expect on day one of a ‘no deal’ scenario: Ferry or Channel Tunnel operators moving goods between the UK and the EU

The trade that you carry out with the EU will broadly follow the customs controls that apply for the rest of the world. So you will need to adapt your business to comply with these new systems, processes and controls.

If you're a ferry or Channel Tunnel operator moving goods between the UK and the EU, the following will apply.

How the customs process will change

In a ‘no deal’ scenario, you will be treated in the same way as operators transporting goods to and from the rest of the world, with the same filing requirements and consignments being subjected to the same scrutiny.

With the exception of accompanied roll-on roll-off (Ro-Ro) transport, where the requirement is on the haulage company, you will need to file safety and security declarations for imports.

There are two types of safety and security declarations: an Exit Summary Declaration and an Entry Summary Declaration. You will need to file the Entry Summary Declaration for inbound goods to the UK online on the [Import Control System](#). The filing deadline for Ro-Ro traffic is currently two hours before arrival. More guidance is available on [GOV.UK](#).

You'll need to submit an Exit Summary Declaration to the customs authority of the country from which you're exporting – so if you're exporting from the UK, it will form part of the customs export declaration.

Similarly, you'll need to submit an Entry Summary Declaration to the customs authority of the country that your consignment is entering.

You can find more information on what needs to be provided on an Entry Summary Declaration or Exit Summary Declaration, and how they are submitted, on the GOV.UK [Starting to import](#) or [Exporting goods outside the EU](#) pages.

Transit of non-EU goods within the EU

The UK is currently in discussions with the EU to retain membership of the Common Transit Convention (CTC). If the UK is no longer a member of the Common Transit Convention, it will no longer be possible to begin or complete transit movements in the UK using the CTC process.

Dealing with import VAT

If the UK leaves the EU without an agreement, the government will introduce postponed accounting for import VAT on goods brought into the UK. This means that UK VAT registered businesses importing goods to the UK will be able to account for import VAT on their VAT return, rather than paying import VAT when the goods arrive at the UK border. This will apply to imports from the EU and non-EU countries.

To reach this decision, the government took into account the views of businesses and sought to mitigate any adverse cash-flow impacts and ensure that VAT processes are kept as close as possible to what they are now. To ensure equity of treatment, in a 'no deal' scenario, businesses will be able to account for their import VAT from non-EU countries in the same way, which will help to make the most of trading opportunities around the world.

We'll issue more guidance setting out further detail on accounting and record keeping requirements soon.

Changes to VAT IT systems

EU VAT Registration Number Validation: This service allows you to check whether a customer or supplier's VAT number is valid. You will still be able to use the EU VAT number validation service to check the validity of EU business VAT registration numbers.

UK VAT registration numbers will no longer be part of this service. In the event of 'no deal', HMRC is developing a system so that UK VAT numbers can continue to be validated. We know this is important for certain businesses to carry out due diligence.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business.

1. Consider any changes you may need to make if you have to follow the same or similar processes to carry goods between the UK and the EU as you do with the rest of the world.
2. Assess the impact of an increased demand for safety and security and customs declarations on your business, and consider recruiting and training additional staff.
3. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
4. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Freight forwarders^Δ

The trade that is carried out with the EU will broadly follow the customs controls that apply for the rest of the world, and there is likely to be an increase in demand for freight forwarders' services from traders who had previously only worked within the EU or traded both within the EU and with the rest of the world. So you will need to adapt your business to comply with these new systems, processes and controls.

If you're a freight forwarder, the following apply.

How customs processes will change

In a 'no deal' scenario, you will need to have a [European EORI](#) number in addition to a UK EORI number, if you are making declarations on behalf of UK clients.

This means UK businesses not established in an EU customs territory should request the assignment of the EORI number to the customs authorities of the EU country responsible for the place where they first lodge a customs entry or exit declaration or apply for a decision.

When using roll-on roll-off (Ro-Ro) transport, for example ships designated to carry wheeled cargo such as lorries, you will need to have information from traders about the goods, in order to pre-notify HMRC of consignments.

You'll also need to know transport information from the haulier – for example the registration details of the vehicle and trailer that goods are travelling in – and communicate with them if they need to go to

a specific inland location, such as a Designated Export Place for certain exports.

Transit of non-EU goods within the EU

The UK is currently in discussions with the EU to retain membership of the Common Transit Convention. If the UK is no longer a member of the Common Transit Convention, you will no longer be able to begin or complete transit movements in the UK through this route.

Dealing with import VAT

If the UK leaves the EU without an agreement, the government will introduce postponed accounting for import VAT on goods brought into the UK. This means that UK VAT registered businesses importing goods to the UK will be able to account for import VAT on their VAT return, rather than paying import VAT when the goods arrive at the UK border. This will apply to imports from the EU and non-EU countries.

To reach this decision, the government took into account the views of businesses and sought to mitigate any adverse cash-flow impacts and ensure that VAT processes are kept as close as possible to what they are now.

To ensure equity of treatment, in a 'no deal' scenario, businesses will be able to account for their import VAT from non-EU countries in the same way, which will help to make the most of trading opportunities around the world.

We'll issue more guidance setting out further detail on accounting and record keeping requirements soon.

Changes to VAT IT systems

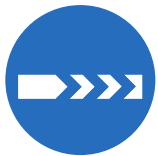
EU VAT Registration Number Validation: This service allows you to check whether a customer or supplier's VAT number is valid. You will still be able to use the EU VAT number validation service to check the validity of EU business VAT registration numbers. UK VAT registration numbers will no longer be part of this service. In the event of 'no deal', HMRC is developing a system so that UK VAT numbers can continue to be validated. We know this is important for certain businesses to carry out due diligence.



Things you can do now

You should consider now the effect of a 'no deal' exit on your business.

1. Consider any changes you may need to make if you have to follow the same or similar processes to carry goods between the UK and the EU as you do with the rest of the world.
2. Assess the impact of an increased demand for safety and security and customs declarations on your business, and consider recruiting and training additional staff.
3. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
4. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.
5. Consider checking with your customers that they are aware of the potential changes and how these may impact their business, and suggest they also [register for email alerts](#) on GOV.UK.



What to expect on day one of a 'no deal' scenario: Customs agents^Δ

The trade that is carried out with the EU will broadly follow the customs controls that apply for the rest of the world, and there is likely to be an increase in demand for customs agents' services from traders who had previously only worked within the EU or traded both within the EU and with the rest of the world. So you will need to adapt your business to comply with these new systems, processes and controls.

How customs processes will change

You can expect to see an increase in demand for customs services from the traders who have only traded within the EU to date.

If you are established in the EU and are making import declarations on behalf of UK clients, you will need to have a European Economic Operator Registration and Identification (EORI) number as well as a UK EORI number.

When using roll-on roll-off (Ro-Ro) transport, for example ships designated to carry wheeled cargo such as lorries, you will need to have information from traders about goods, in order to pre-notify HMRC of consignments.

You will also need to know transport information from the haulier – such as the registration details of the vehicle that goods are travelling in – and communicate with them if they need to go to a specific inland location, such as a Designated Export Place for certain exports.

Dealing with import VAT

If the UK leaves the EU without an agreement, the government will introduce postponed accounting for import VAT on goods brought into the UK.

This means that UK VAT registered businesses importing goods to the UK will be able to account for import VAT on their VAT return, rather than paying import VAT when the goods arrive at the UK border. This will apply to imports from the EU and non-EU countries.

To reach this decision, the government took into account the views of businesses and sought to mitigate any adverse cash-flow impacts and ensure that VAT processes are kept as close as possible to what they are now. To ensure equity of treatment, in a 'no deal' scenario, businesses will be able to account for their import VAT from non-EU countries in the same way, which will help to make the most of trading opportunities around the world.

We'll issue more guidance setting out further detail on accounting and record-keeping requirements soon.

Changes to VAT IT systems

EU VAT Registration Number Validation: This service allows you to check whether a customer or supplier's VAT number is valid. You will still be able to use the EU VAT number validation service to check the validity of EU business VAT registration numbers. UK VAT registration numbers will no longer be part of this service. In the event of 'no deal', HMRC is developing a system so that UK VAT numbers can continue to be validated. We know this is important for certain businesses to carry out due diligence.

Managing customs intermediaries capacity

There are approximately 145,000 VAT-registered traders who only trade with the EU, in addition to others under the VAT threshold. Many of these are likely to need a customs broker or intermediary in the unlikely event of 'no deal'.

The government fully acknowledges the potential capacity challenges facing the customs intermediaries sector in the unlikely event of 'no deal' being reached before the UK leaves the EU on 29 March 2019. It has engaged extensively with key providers of customs broker services – including freight forwarders, fast parcel operators and independent customs brokers – to better understand this challenge.

Based on this useful engagement, HM Treasury and HMRC have designed a package of measures to support the intermediaries sector to expand ahead of March 2019. As announced on 22 October, this will include a one-off investment of £8 million to support broker training and increased automation.

This investment will involve:

1. A procurement process to establish contracts with training providers for creating and delivering new training courses and/or expanding existing material for customs brokers to assist in a 'no deal' scenario. The government's engagement with key intermediaries and training providers identified the scope for more widely available and accessible training provision for customs brokers. It wants to support the sector to train more people, to a good standard.
2. A grant scheme to support intermediaries and/or traders with the upfront costs of training their employees. The government understands that intermediaries train their staff using both internal and/or external training provision. This element will support customs intermediaries with some of these upfront costs to make it easier to train staff.
3. A grant scheme to support investment in automation in the sector. The government understands that upfront cost is a key barrier to automation, particularly for smaller businesses. This will seek to improve the productivity of smaller intermediaries that rely on manual data input to complete customs declarations, by supporting them with the set up costs of IT solutions.

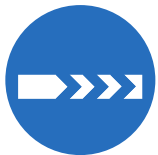
The procurement process for establishing contracts with training providers has now begun, with the grant schemes to support upfront costs of training or increased automation expected to be available later this year. Further details will be published in due course.

There is no need to contact HMRC at this stage.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business.

1. Assess the impact of any increased demand for customs declarations on your business, and whether you need to recruit and train additional staff.
2. Consider any changes you may need to make if you have to follow the same or similar processes for EU trade as you do with the rest of the world.
3. Inform businesses if they need to register for a UK Economic Operator Registration and Identification (EORI) number in addition to an EU EORI number, or register for the UK EORI number of their behalf.
4. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.
5. Consider checking with your customers that they are aware of the potential changes and how these may impact their business, and suggest they also [register for email alerts](#) on GOV.UK.



What to expect on day one of a 'no deal' scenario: Ports and airports^Δ

Businesses that trade with the EU will broadly follow the same customs controls as businesses trading with the rest of the world – so they will need to adapt their business to comply with these systems, processes and controls.

If you operate a UK port or airport, the following will apply.

How customs processes will change

EU freight moving through ports and airports will become third country freight, subject to the same rules and procedures as are currently in place for third country freight. You will need to make sure you are set up to meet the processing requirements of third country trade and customs procedures.

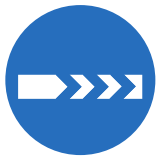
We recognise that many ports which predominantly facilitate trade with the EU will benefit from having electronic systems in place to facilitate the presentation and processing of goods at ports.

If you do not currently use such processes, it is likely that the procedures for clearing these goods will depend more heavily on manual processes. If such systems are not in place when the UK leaves the EU, processes will be put in place to facilitate trade flow – but you will need to work with HMRC on implementing an effective streamlined regime.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business.

1. Familiarise yourself with the processing requirements of third country trade and customs procedures, and assess the impact of these on your port or airport.
2. Assess the impact of any increased demand for customs and safety and security declarations on your business, and whether you would need to recruit and train additional staff.
3. Discuss these changes with all your onsite stakeholders to identify any potential infrastructure issues, and ensure that they are in a position to support any changes that you need to put in place.
4. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
5. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.



What to expect on day one of a 'no deal' scenario: Customs warehouses^Δ

Businesses that trade with the EU will broadly follow the same customs controls as businesses trading with the rest of the world – so they will need to adapt their business to comply with these systems, processes and controls.

If you are a warehouse keeper for the goods of other businesses, the following will apply.

How customs processes will change

Trade with the EU will broadly follow the same customs controls as trade with the rest of the world, so the status of EU goods will change.

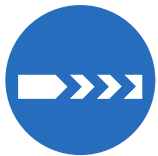
You can expect to receive goods into your warehouse that have been imported from the EU and which are liable to customs duties or import VAT. You will need to treat these EU goods in the same way as you currently treat goods from the rest of the world. You may therefore need to adjust the way you use and manage your warehouse. You may also need to talk to your software supplier so that any changes are in place to reflect these requirements – and you should be prepared to support new customers who have not previously dealt with customs matters.

If you use a warehouse as part of your own business, trade with the EU will broadly follow the same customs controls as trade with the rest of the world, so the status of EU goods will change. You will be able to use your existing warehouse to store goods you have imported from the EU. You may need to consider whether you have sufficient warehouse space to continue to meet your requirements.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business.

1. Assess the impact of any increased demand from third party depositors, or requirements of your own business, and whether you would need to recruit and train additional staff.
2. Consider how you can help make your customers aware of the requirements of the customs warehousing procedure.
3. Consider whether you need to make any changes to deal with goods subject to excise duty.
4. Talk to your software supplier so that any changes are in place to reflect any new requirements.
5. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
6. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.
7. Consider checking with your customers that they are aware of the potential changes and how these may impact their business, and suggest they also [register for email alerts](#) on GOV.UK.



What to expect on day one of a 'no deal' scenario: Temporary storage operators^Δ

Businesses that trade with the EU will broadly follow the same customs controls as businesses trading with the rest of the world – so they will need to adapt their business to comply with these systems, processes and controls.

If you are a temporary storage operator, the following will apply.

How customs processes will change

Trade with the EU will broadly follow the same customs controls as trade with the rest of the world, so the status of EU goods will change.

You can expect importers of goods from the EU to want to have their goods placed into a temporary storage facility before being placed under a customs procedure or re-exported. You will need to treat these EU goods in the same way as you currently treat goods from the rest of the world. As a temporary storage operator you are responsible for physically accepting and releasing the goods into and out of the temporary storage facility, and for collecting data into the temporary storage stock account record on the physical arrival of the goods into the premises.

You may therefore need to adjust the way you use and manage your temporary storage facility. You may also need to talk to your software supplier so that any changes are in place to reflect these requirements – and you should be prepared to support new customers who have not previously dealt with customs matters.

You will also need to consider whether your temporary storage facility has sufficient space to continue to meet your requirements.

Things you can do now

You should consider now the effect of a 'no deal' exit on your business.

1. Assess the impact of any increased demand from third party depositors, or requirements of your own business, and whether you would need to recruit and train additional staff.
2. Consider whether you need to make any changes to your customs authorisations, and if you do, make early contact with the appropriate unit to ensure there is sufficient time for the changes to be made.
3. The passport rules for travel to most countries in Europe will change if the UK leaves the EU on 29 March 2019 without a deal. Read the government's guidance on [Travelling to the EU with a UK passport if there's no Brexit deal](#) and, if relevant, ensure your employees and customers are aware of the potential changes.
4. Stay up-to-date with these changes by [registering for email alerts](#). Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.
5. Consider checking with your customers that they are aware of the potential changes and how these may impact their business, and suggest they also [register for email alerts](#) on GOV.UK.

Communication resources

This section contains a number of resources and links to help you support your customers, clients and members for the possibility of a 'no deal' scenario.

Step-by-step guides

We have published two A3 poster-sized step-by-step guides which set out the step-by-step process that businesses will need to follow when importing from or exporting to the EU, in a 'no deal' scenario. The posters can be viewed online or printed out to hang on office walls. The guides have also been published as pages on GOV.UK.

[Read the 'Importing' step-by-step guide](#)

[Read the 'Exporting' step-by-step guide](#)

HM Government letters to traders

The government has issued an advice and guidance letter to traders to set out what the UK leaving the EU without a deal would mean for them. A version of the letter has been issued specifically for traders in Northern Ireland, which addresses trade in goods across the land border with Ireland.

Both letters are reproduced in Annex 1 ([page 106](#)) and Annex 2 ([page 108](#)) for your information.

Technical notices

The government published a number of technical notices across a range of topics, including customs and VAT, on GOV.UK – 106 by the end of October 2018. These notices explain the changes that would apply if the UK leaves the EU without a deal on 29 March 2019.

To access the technical notices, go to www.gov.uk/government/collections/how-to-prepare-if-the-uk-leaves-the-eu-with-no-deal or search for 'EU Exit technical notices' on GOV.UK.



Key messages on the UK border

About the UK border

The UK government has three key objectives for the UK border: maintaining security, facilitating the flow of goods and people, and protecting revenue.

The border is a highly complex system with shared responsibility from both the public and private sector.

The UK government is responsible for security checks, passport controls, customs controls on goods and compliance/safety controls (for example, on agrifoods, chemicals, consumer goods, and dangerous goods).

Ports, airports, freight forwarders and customs agents are responsible for border facilities, the handling of goods crossing the border and associated digital services.

Changes at the UK border after a 'no deal' EU Exit

In the unlikely event that the UK leaves the EU without a deal in March 2019, the free circulation of goods between the UK and EU would cease.

The UK will continue to be a member of both the World Trade Organization (WTO) and World Customs Organisation (WCO) and will remain bound by international obligations that govern international trade in goods.

The UK government recognises the importance of trade through the UK's key ports to the country's economy, and will ensure that movement across borders is as frictionless as possible.

Businesses would have to apply the same customs and excise rules to goods moving between the UK and the EU as currently apply in cases where goods move between the UK and the rest of the world.

Where physical checks will be required, the UK government will:

- work to enable as many of these as possible to take place away from the border
- minimise any changes to the duties and controls covering what goods are bought into the UK
- provide continuity and minimise additional requirements on goods which are subject to specific controls and processes, such as regulatory product requirements.

Arrangements for handling customs and other controls already exist at many border locations. The UK government works closely with organisations responsible for these, including airports and container ports, to help them effectively manage the necessary changes.

For some border locations where trade is largely EU-based in high volume, such as Eurotunnel and roll-on roll-off ports, additional changes will be needed in the long term. The UK government is working closely with the stakeholders responsible for these locations to ensure this.

Tell us what you need

We want to provide as much support as possible to help you and your customers, members and clients prepare for a 'no deal' scenario. This should be an ongoing two-way process – so we value your feedback at every point.

Please tell us:

- what information, guidance and support you would find most useful as stakeholders and intermediaries
- what businesses are telling you they need
- whether the information we provide can be improved, or if you and your clients have questions which we're not addressing
- whether we're using the right formats and channels to support you and provide you with resources and guidance.

We welcome all questions, comments and feedback that will help us to help you. Please contact: euexit.communications@hmrc.gsi.gov.uk



Annex 1: HM Government letter to EU-only traders



HM Government

Dear [customer],

This letter is for advice and guidance only. You do not need to call HMRC.

Changes to the way you trade with the European Union (EU)

The United Kingdom (UK) will be leaving the EU, including the Customs Union, at 11pm (UK time) on 29 March 2019.

The UK government has reached agreement with the EU on the vast majority of withdrawal issues, including the terms of an implementation period. Full agreement on this will mean that trading with the EU during the implementation period would broadly stay the same from the end of March 2019 until 31 December 2020.

The government is also focused on securing a future partnership with the EU following the end of the implementation period in December 2020. The recent White Paper 'The future relationship between the United Kingdom and EU' set out details of this.

However, the government continues to prepare for all scenarios, including the unlikely outcome that the UK leaves the EU at the end of March 2019 without a deal.

In the event of 'no deal', the government is committed to prioritising stability for businesses. We will continue to work closely with industry to ensure that interventions in a 'no deal' scenario are conducted in a way which minimises delays and additional burdens for legitimate

trade, while robustly ensuring compliance. The approach of continuity does not mean that everything will stay the same, but the priority is maximising stability at the point of departure.

What leaving the EU without a deal on 29 March 2019 would mean for you

The information from your VAT registration shows that:

- you're a trader based in the UK currently importing and/or exporting goods within the EU
- you do not currently trade with non-EU countries.

If we leave the EU without a deal in March 2019, there would be immediate changes to the way UK businesses trade with the EU that impact on your business. This includes:

- UK businesses having to apply customs, excise and VAT procedures to goods traded with the EU, in the same way that already applies for goods traded outside of the EU
- Trading partners in the EU having to apply customs, excise and VAT procedures to goods they receive from you, in the same way that they do for goods received from outside of the EU.

In particular, if your business currently trades only with the EU then you'd have to start completing customs declarations from March 2019 and customs checks would apply to your business for the first time.

What you should do to get ready

While no changes will be made before 29 March 2019, you may wish to use the coming months to understand more about what leaving the EU without a deal would mean for you.

The steps and obligations you may need to take to continue to trade with the EU if the UK leaves without a deal are broadly the same as those that apply to businesses that trade with countries outside of the EU.

You can find information on how to trade with countries outside of the EU on GOV.UK. It covers customs procedures, excise rules and VAT when importing or exporting goods outside the EU.

- Importing from non-EU countries: www.gov.uk/importoutsideEU
- Exporting goods outside the EU: www.gov.uk/exportoutsideEU

The government has published a number of technical notices on GOV.UK across a range of topics, including:

- Customs – ‘Trading with the EU if there’s no Brexit deal’
- Tariffs – ‘Classifying your goods in the UK Trade Tariff if there’s no Brexit deal’
- VAT – ‘VAT for businesses if there’s no Brexit deal’

The notices explain the changes that would apply if the UK leaves the EU without a deal on 29 March 2019. On GOV.UK, search for ‘EU Exit technical notices’ and select ‘How to prepare if the UK leaves the EU with no deal’.

Next steps

If you’re a member of a trade body, they might have useful information on their website. VAT advisers, Customs agents, freight forwarders and other businesses also have services to help you to follow customs rules.

There is no need to contact HMRC at this stage. This letter is for advice and guidance only and is part of the government’s ongoing programme of planning for all possible outcomes. We fully expect to negotiate a successful outcome with the EU, which would mean you do not have to make significant changes to the way that your business operates.

We will be in touch again before spring 2019 to let you know what actions (if any) you’ll need to take and when, and will publish more information on GOV.UK before and after 29 March 2019.

You can stay up-to-date with these changes by registering for [HMRC’s EU Exit update service](#) on GOV.UK. Search for ‘HMRC videos, webinars and email alerts’, click to register to get business help and education emails, enter your email and select ‘EU Exit’.

The government is committed to supporting you and your business through this period of change and making sure trade continues as easily as possible after we leave the EU.

Yours sincerely,

Jim Harra

Deputy Chief Executive, HMRC

Annex 2: HM Government letter to EU-only traders (Northern Ireland)



HM Government

Dear [customer],

This letter is for advice and guidance only. You do not need to call HMRC.

Changes to the way you trade with the European Union

The United Kingdom will be leaving the EU, including the Customs Union, at 11pm (UK time) on 29 March 2019.

The UK government has reached agreement with the EU on the vast majority of withdrawal issues, including the terms of an implementation period after the UK leaves the EU. Full agreement on this will mean that trading with the EU during the implementation period will broadly stay the same from the end of March 2019 until 31 December 2020.

The government is also focused on securing a future partnership with the EU following the end of the implementation period. The recent White Paper 'The future relationship between the United Kingdom and EU' set out details of this.

However, government continues to prepare for all scenarios, including the unlikely outcome that the UK leaves the EU at the end of March 2019 without a deal.

In the event of 'no deal', the government is committed to prioritising stability for businesses. We will continue work closely with industry to ensure that interventions in a 'no deal' scenario are conducted in a way which minimises delays and additional burdens for legitimate trade, while robustly ensuring compliance. The approach of continuity does not mean that everything will stay the same, but the priority is maximising stability at the point of departure.

What leaving the EU without a deal on 29 March 2019 would mean for you

The information from your VAT registration shows that:

- you're a trader in Northern Ireland currently importing and/or exporting goods within the EU
- you do not currently trade with non-EU countries.

If you trade in goods across the land border between Northern Ireland and Ireland

The UK government has consistently placed upholding the Belfast Agreement and its successors at the centre of its approach to leaving the EU. The government is committed to avoiding a hard border between Northern Ireland and Ireland.

If we leave the EU without a deal in March 2019, the UK would stand ready to engage constructively to meet these commitments and act in the best interests of the people of Northern Ireland, recognising the challenges that the lack of a UK-EU legal agreement would pose in this unique context. This would include engagement on arrangements for land border trade.

We will update you on the UK's different customs arrangements and any actions you may need to take in due course.

The Irish Government have indicated they would need to discuss arrangements in the event of 'no deal' with the European Commission and EU countries. We would recommend that, if you trade across the land border, you should also consider any advice issued by the Irish Government about preparations you need to make, in addition to the guidance set out by the UK government.

If you trade in goods with EU countries (including Ireland) other than across the land border between Northern Ireland and Ireland

If we leave the EU without a deal in March 2019, there would be immediate changes to the way UK businesses trade with the EU that may impact on your business. This includes:

- UK businesses having to apply customs, excise and VAT procedures to goods imported from the EU, in the same way that they currently do for goods imported from outside of the EU
- Trading partners in the EU having to apply customs, excise and VAT procedures to goods they receive from you, in the same way that they currently do for goods received from outside of the EU.

In particular, if your business currently trades only with the EU then you would have to start completing customs declarations from March 2019; and customs checks would apply to your business for the first time.

What you should do to get ready

While no changes will be made before 29 March 2019, you may wish to use the coming months to understand more about what leaving the EU without a deal would mean for you.

The steps and obligations that you may need to take to continue to trade with the EU, other than at the land border, if the UK leaves without a deal are broadly the same as those that apply to businesses that trade with countries outside of the EU.

You can find information on how to trade with countries outside of the EU on GOV.UK. It covers customs procedures, excise rules and VAT when importing or exporting goods outside the EU.

- Importing from non-EU countries: www.gov.uk/importoutsideEU
- Exporting goods outside the EU: www.gov.uk/exportoutsideEU

The government has published a number of technical notices on GOV.UK across a range of topics, including:

Customs – ‘Trading with the EU if there’s no Brexit deal’

- Tariffs – ‘Classifying your goods in the UK Trade Tariff if there’s no Brexit deal’
- VAT – ‘VAT for businesses if there’s no Brexit deal’

The notices explain the changes that would apply if the UK leaves the EU without a deal on 29 March 2019. On GOV.UK, search for ‘EU Exit technical notices’ and select ‘How to prepare if the UK leaves the EU with no deal’.

Next steps

If you’re a member of a trade body, they might have useful information on their website. Customs agents, freight forwarders and other businesses also have services to help you to follow customs rules.

There is no need to contact HMRC at this stage. This letter is for advice and guidance only and is part of the government’s ongoing programme of planning for all possible outcomes. We fully expect to negotiate a successful outcome with the EU, which would mean you do not have to make significant changes to the way that your business operates.

We will be in touch again before spring 2019 to let you know what actions you’ll need to take and when. And will publish more information on GOV.UK before and after 29 March 2019.

You can stay up-to-date with these changes by registering for [HMRC’s EU Exit update service](#) On GOV.UK, search for ‘HMRC videos, webinars and email alerts’, click to register to get business help and education emails, enter your email and select ‘EU Exit’.

The government is committed to supporting you and your business through this period of change and making sure trade continues as easily as possible after we leave the EU.

Yours sincerely,

Jim Harra

Deputy Chief Executive, HMRC



HM Government

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