

BUSINESS BREXIT RISK REGISTER: UPDATED SEPTEMBER 2018

For companies across the United Kingdom, the ultimate test of any Brexit deal is whether it delivers clear answers to the practical, real-world questions businesses face. Firms of every size and sector need clarity in order to take decisions, invest and prepare for the future. As HM Government negotiates a future partnership between the UK and the EU, the British Chambers of Commerce is assessing progress on 24 business-critical issues. Following the publication of UK government contingency planning, and as negotiations continue, we find that 19 issues remain 'red', 4 'amber' and 1 'green'.



"Despite the raft of 'technical notices' outlining the procedures that the UK government intends to follow if the UK and EU are unable to reach a deal by March 2019, businesses still require greater clarity and precision to trade as smoothly as possible across borders. Most businesses are hoping for a deal - but no matter the outcome of the negotiations, the government must set out what the UK will do unilaterally to make life easier for trading businesses at a time of great change and uncertainty."

Adam Marshall Director General, British Chambers of Commerce

| AREA | BUSINESS ISSUES | WHAT BUSINESSES NEED TO KNOW | RAG RATING |
|------------|-------------------------------|--|------------|
| PEOPLE | ACCESS TO EU WORKFORCE | Will I be able to hire EU nationals in future - and under what conditions? | Amber |
| | BUSINESS TRAVEL | Will business travel between the UK and the EU involve further administration, costs or visas? | Red |
| | STAFF TRANSFERS | Will my business be able to move skilled staff members between the UK and the EU in future? | Red |
| FUNDING | HORIZON 2020 | Will UK firms and institutions be able to participate in European R&D projects after 2020? | Amber |
| | EUROPEAN INVESTMENT BANK | Will UK projects be eligible for support from the EIB after 2020? | Red |
| | ESIF FUNDS UK REPLACEMENT | How will the UK replacement for EU Funds work, and how can my company access opportunities? | Red |
| TAX | IMPORT VAT | Will I need to pay VAT on goods at point of import? Will I be able to use postponed accounting or have access to more generous deferment account terms to offset the cash-flow issues? | Green |
| | SERVICES VAT | Will I need to become VAT-registered in every EU Member State where my firm has clients? | Red |
| REGULATION | REGULATORY AGENCIES | Which regulator will be overseeing my business in the future, and what rules do I need to follow? Is the UK government going to charge businesses for the creation of new regulatory agencies in the UK? | Red |
| | PRODUCT TESTING | Will conformity assessments on products conducted by a UK body will continue to be sufficient for the product to be sold on the EU market? | Red |
| | DISPUTE RESOLUTION | What dispute resolution and means of redress will be available to my business in the future? | Red |
| STANDARDS | INDUSTRIAL STANDARDS | What industrial standards will my firm need to comply with in the future, and will the UK stick with the European model that we have strongly influenced? | Amber |
| DIGITAL | MOBILE ROAMING | Will my business have to pay mobile roaming charges in the EU after Brexit? | Red |
| | CUSTOMER DATA | Will my business continue to be able to hold and transfer data and personal information without any interruptions after we have left the EU? | Red |
| TRADE | TARIFFS | Will I be able to continue trading without tariffs with the EU in the future? | Red |
| | RULES OF ORIGIN | What rules of origin will I need to comply with once the UK has left the EU? Will I be able to count UK and EU content as single origin, both when trading with the EU and with third countries? | Red |
| | CONTINUITY OF EU FTAS | Will my company still have access to markets on the same terms as now once we have left the European Union? | Red |
| | BUSINESS ENGAGEMENT STRUCTURE | How will my business be able to contribute directly to future trade negotiations? | Amber |
| | AVIATION | Will I still be able to fly people and/or goods between the UK and the EU after Brexit day - or could travel be disrupted? | Red |
| BORDERS | CUSTOMS | Will my goods be subject to new customs rules, procedures and inspections at the UK or EU border in future? Could my shipments be held up and delayed? | Red |
| | INSPECTIONS | Will there be new health or safety-related inspections at the UK-EU border that my company will need to deal with? | Red |
| | DECLARATIONS | Will I need to do additional customs-related paperwork, including import and export declarations, when trading with the EU? | Red |
| | TRUSTED TRADER SCHEMES | Will my business be able to become a 'trusted trader' to move quickly through borders in future - and what will the process be? | Red |
| | IRELAND | What, if any, procedures will my company face trading cross-border between Northern Ireland and the Republic of Ireland? | Red |

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| AREA | BUSINESS ISSUES | RAG RATING | COMMENTS |
|------------|-------------------------------|------------|---|
| PEOPLE | ACCESS TO EU WORKFORCE | Amber | The Home Office published the Employer Toolkit for the EU Settlement Scheme for EU Citizens over the summer and is trialing its operation. Businesses await the Technical Notice relating to EU citizens for a no deal outcome. For the longer-term operation of immigration policy, the Migration Advisory Committee is to report back to government on the impact of EEA workers and international students in September. |
| | BUSINESS TRAVEL | Red | |
| | STAFF TRANSFERS | Red | |
| FUNDING | HORIZON 2020 | Amber | In the event of no deal, the Government would guarantee payment of monies to UK businesses that made successful bids into the fund before the UK exits the EU. But this falls short of a Green because questions remain about how businesses operating in consortia and / or dispersing monies to overseas suppliers will be supported as the guarantee is restricted in scope. |
| | EUROPEAN INVESTMENT BANK | Red | |
| | ESIF FUNDS UK REPLACEMENT | Red | |
| TAX | IMPORT VAT | Green | According to the UK's Technical Notices, in the event of no deal, the UK will introduce postponed accounting – the same system that is currently in place for intra-EU trade. This measure will significantly reduce the cash-flow burden on UK businesses and gives much-needed certainty on this critical business area. |
| | SERVICES VAT | Red | |
| REGULATION | REGULATORY AGENCIES | Red | |
| | PRODUCT TESTING | Red | |
| | DISPUTE RESOLUTION | Red | |
| STANDARDS | INDUSTRIAL STANDARDS | Amber | |
| DIGITAL | MOBILE ROAMING | Red | |
| | CUSTOMER DATA | Red | |
| TRADE | TARIFFS | Red | The UK Government has outlined its approach to consultations on trade negotiations, which will include public consultations, as well as the formation of a Strategic Trade Advisory Group. Some consultations have already been launched, and we are upgrading this area to Amber as we wait to see the effectiveness of this approach. |
| | RULES OF ORIGIN | Red | |
| | CONTINUITY OF EU FTAS | Red | |
| | BUSINESS ENGAGEMENT STRUCTURE | Amber | |
| | AVIATION | Red | |
| BORDERS | CUSTOMS | Red | |
| | INSPECTIONS | Red | |
| | DECLARATIONS | Red | |
| | TRUSTED TRADER SCHEMES | Red | |
| | IRELAND | Red | |