

Brexit Checklist

1. UK/EU customs checks

Requirements

- Consider impacts of customs delays on your supply chain, particularly if working in time-sensitive sectors
- Consider how customs clearance will be managed

Suggested contingency actions

- Importers and exporters must apply for an [Economic Operator Registration and Identification \(EORI\) number](#) before Brexit to continue trading with the EU
- Consider if a third-party can provide your trade and customs clearance documentation (eg freight forwarder, customs broker or [Chamber of Commerce](#)). *Note: the exporter is still responsible however for customs declarations even if undertaken by a third party*
- Alternatively, if you intend to submit your own trade and customs clearance documentation access [HMRC advice](#) and [grants for staff training and software](#). HMRC have identified 145,000 VAT-registered [UK businesses who only trade with the EU](#) and who will have to complete customs paperwork for the first time. *Note that the UK Government training and software grants scheme closes on 5 April or sooner, if the £2 million budget is exhausted.*
- Consider employing specialist trade staff
- Liaise with your freight forwarder well before Brexit to check logistics routes and secure transport slots. Confirm if your logistics provider has the necessary haulage permits to operate in the EU27 following 'no deal'
- Consider becoming an [authorised economic operator](#)
- Consider registering to use [transitional simplified import procedures](#), designed to make importing easier for the initial period after the UK leaves the EU should there be no deal. This covers English Ro-Ro ports such as Dover and the Channel Tunnel.

2. UK/EU trade tariffs

Requirements

- Consider possible import tariffs, regulatory or documents for UK:EU sales and EU:UK purchases – find commodity codes, duty and VAT rates – [UK database](#) and [EU database](#)
- Keep up to date with new UK Trade Continuity Agreements as they arise

Suggested contingency actions

- Model your cash flow taking into account the additional costs resulting from Brexit and assess your need for additional working capital. Speak to your bank or main lender in the first instance to discuss flexible arrangements.

- Speak to one of our [Financial Readiness advisors](#) to identify additional sources of funding for your business.
 - Consider negotiating fixed pricing contracts with European buyers and suppliers. Fixed pricing may help to maintain export sales (and continuity of supplies) through acknowledgement of new tariffs
 - Consider increasing production prior to Brexit and possibly stockpiling: overseas in warehouses/regional distribution centres and/or in UK warehouses for supply sources
 - Consider any alternative UK sources of materials/ingredients to mitigate against higher costs/risk
 - For some companies, consider opening an operation in the EU27 in addition to your Scottish operation.
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3. Import VAT

Requirements

- Identify who arranges and pays for new import clearance procedures and new import duties

Suggested contingency actions

- Determine if commercial pressures exist
 - Determine applicable cost and resourcing impacts
 - Attempt to defer any new UK import tariffs using [AEO status](#), [simplified import procedures](#) or bank guarantees.
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4. Terms of trade contracts

Requirements

- Review contract terms for EU clients / partners to reflect the potential change in status (ie becoming an importer/exporter) once the UK leaves the EU. Consider Incoterms (international terms and conditions of service) to set the right contract terms.

Suggested contingency actions

- Consider the implications of changes to pricing and payment policy and Incoterms (possible impact on cashflow, and greater risk of non-payment)
 - Review whether your dispute resolution/arbitration clauses need to be amended (eg to the International Chamber of Commerce or trade association)
 - Consider any changes to the use of the CE Mark in the event of a no deal Brexit (some products sold in the UK may need to carry the new [UK Conformity Assessed mark](#))
 - Ensure you manage foreign currency exposures in the event of any currency volatility
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5. Rules of origin

Requirements

- Review the origin of your products – including components and raw materials – to assess whether goods may qualify as being of UK or EU origin

Suggested contingency actions

- Find out more about [rules of origin](#)
 - Companies must review their whole supply chains to identify:
 - the origin of materials/ingredients
 - how much is UK origin, and how much is EU origin
 - if you can demonstrate that at least 60% is UK origin? (This is important for UK/EU and UK/ RoW trade)
 - if changes to supply chains are needed in order to meet UK origin requirements
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6. EU trade agreements with 3rd countries

Requirements

- Review sales to non-EU markets in countries where the [EU currently has trade agreements in place](#)

Suggested contingency actions

- Reassure your overseas buyers and suppliers that you intend to continue doing business with them
 - Identify any changes in tariffs and customs checks for trade with non-EU markets. In particular, identify whether the UK Government [has 'rolled over' EU trade agreements](#) with third countries in the event of 'no deal'
 - Liaise with your freight forwarder to check logistics routes and secure transport slots.
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7. Regulatory changes

Requirements

- Identify any regulatory changes for your products or service using the [UK Government](#) or [EU portal](#)
- Sign up for [UK Government alerts](#) (new and updated technical notices)

Suggested contingency actions

- Create a key issues document and monitor this regularly
- Consider sector-specific impacts such as:
 - Export health certificates (food sector)

- REACH (chemicals sector)
 - Medical device regulations
 - Clinical trials
 - Speak to your trade body for specialist advice – see [Brexit information provided by trade bodies](#) for companies in Scotland
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8. Supply chain readiness

Requirements

- Avoid complacency. Even if your business does not directly import or export from the EU, you may well be impacted if products you handle originate from or are sold in the EU
- Communicate with your customers and suppliers. Align your priorities – reassure them of your continued commitment in the face of potential changes
- Ensure your customers and suppliers in the UK and EU are actively preparing for Brexit (ie aware of likely issues/risks and taking mitigating actions)

Suggested contingency actions

- Scenario plan joint actions to ensure ongoing continuity of supply covering exports and imports both before and after Brexit
 - Create a customer action plan – *and* execute your plan
 - Discuss a customer / supplier calling programme, and discuss customer action plans at Board and staff meetings
 - Discuss possible Brexit impacts and reassure clients about your commitment to continuing to do business
 - Consider mitigating negative Brexit impacts through ‘terms of trade’
 - Ensure risks as well as opportunities arising from exchange rate fluctuations are understood and managed proactively
 - Use our [supply chain service](#) to help identify alternative suppliers.
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9. Business travel

Requirements

- Ensure that your employees can continue to travel between the UK and EU, particularly in the immediate days and weeks following Brexit

Suggested contingency actions

- After Brexit all [UK passports](#) must be valid for at least six months before arriving in the EU27
 - If you plan to drive in the EU you may need to get an [International Driving Permit](#)
 - The EU and UK Government have given assurances that any [air travel disruption](#) should be minimised, but also recommend you take out travel insurance.
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10. Data sharing

Requirements

- Take action well before Brexit to ensure continued compliance with data sharing legislation if your business operates across the EU or exchanges personal data with partners in the EEA

Suggested contingency actions

- Businesses should take early action well before Brexit as any changes relating to data storage and sharing may take some time to implement. Consult the latest guidance from the [UK Government](#) and [Information Commissioner's Office](#)
 - Use the ICO's tool to assess whether you can rely on implementing standard contractual clauses (SCCs) for transfers from the European Economic Area (EEA) to the UK
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11. Intellectual property

Requirements

- Review any changes taking place in a 'no deal' exit in relation to IP issues (including copyright, trade marks, designs and patents)

Suggested contingency actions

- Read the [latest UK Government guidance](#) on any changes taking place
 - Get [advice](#) from our intellectual assets and intellectual property specialists
 - Ensure the company has access to external specialists and advisors where required
 - Ensure awareness of position with respect to clinical trials (for appropriate sectors)
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12. Workforce

Requirements

- Review your staff who are EU citizens or who have close family members who are EU citizens. Have an employer's awareness of their situation and take steps to retain key staff and skills

Suggested contingency actions

- Be able to support any affected employees with registering under the EU Settlement Scheme using the [Employer Toolkit](#). All EU citizens wishing to remain in the UK must register under the Scheme.
- Signpost affected employees to advice and information from the [UK Government](#) and the [Citizens Advice Scotland](#)
- Note that the UK Government has now waived the £65 registration fee for applications after April. (Fees paid for earlier applications will be fully refunded)

Got a question? Send us an [enquiry](#) or call us on **0300 303 0661**

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