

Welcome to this Brexit webinar

This workshop will;

- Help you determine the key Brexit impacts for your business
- To allow you to determine what conversations are required with your customers, suppliers, employees and contractors
- To determine if Brexit actions can provide opportunities for exports to Europe and the Rest of the World

Trade in Goods	Trade in Services	Staffing and Human Resources	Regulations and Compliance	Business Travel	Intellectual Property
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The Brexit Outcome is still Uncertain

<p>Uncertainty still remains as to whether the UK will leave the EU with no-deal on the 31st October</p>	<p>A deal has been agreed with the EU whereby;</p> <ol style="list-style-type: none">1.For regulation of goods Northern Ireland stays aligned to the rules of the EU Single Market2.No hard border in the island of Ireland3.Customs checks will take place at ports along the Irish Sea between Great Britain and Northern Ireland3.Tariffs will not automatically be taken on goods moving from Great Britain to Northern Ireland, but where goods are 'at risk' of being transported into the Republic of Ireland tariffs will be applied (<i>'at risk' to be defined</i>)	<p>○ UK Parliament have mandated the UK Government to seek an extension to the 31st January 2020 if a deal cannot be agreed</p> <p><i>If there is a Transition Period the UK retains access to the Single Market and Customs Union. The transition ends on 31st December 2020</i></p>
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Amongst all this uncertainty customers and suppliers in Europe and the Rest of the World expect UK companies to provide solutions and guidance

Also think about impacts in the context of who your competitors are and where they are based

A 'Third Country' outside of the EU

If the UK leaves the European Union it becomes a 'third country'. This impacts trade in services, as much as trade in goods.

'Third country status' raises questions on

movement of people and services (founding principle of the EU)

ability to hold data

access to EU platforms and systems

application of legislation

access to EU funding and procurement schemes

access to payment systems

ability to influence future legislation, including in areas of data security and compliance

Trading in Goods: Tariffs and Taxation

Export
Import
VAT

EXPORT: The Impact of Trade Tariffs

It is not just the EU, it is the whole world!

General Principles

Tariffs make it harder for an exporter to win export sales	Tariffs make it more expensive for a buyer to purchase goods from overseas	There are no such trade barriers in place in the 28 EU member states	Agreements can be reached on reducing, or eliminating duties and quotas through Free Trade Agreements, or by establishing Trading blocs
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Brexit: Tariffs will apply

- Under a 'no deal Brexit' - and in the event of there being no free trade agreement between the UK and the EU

And the EU have trade agreements with 70+ countries, which facilitates tariff free trade (or reduced tariffs) between the EU and the overseas country

The UK is currently trying to 'roll over' EU trade agreements by way of Continuity Agreements

Around 16 agreements have been 'rolled over'

TRADE AGREEMENTS ALSO IMPACT TRADE IN SERVICES

<https://www.gov.uk/guidance/uk-trade-agreements-with-non-eu-countries-in-a-no-deal-brexite#trade-agreements-that-have-been-signed>

- [Andean countries](#)
- [CARIFORUM](#) trade bloc
- [Central America](#)
- [Chile](#)
- [Eastern and Southern Africa \(ESA\)](#) trade bloc
- [Faroe Islands](#)
- [Iceland and Norway](#)
- [Israel](#)
- [Lebanon](#)
- [Liechtenstein](#)
- [Pacific states](#)
- [Palestinian Authority](#)
- [South Korea](#)
- [Switzerland](#)

Some UK Continuity agreements also cover mutual recognition on certification e.g. Australia, New Zealand and the United States

Businesses must consider the impacts of trade agreements that have not been rolled over

<https://www.gov.uk/guidance/uk-trade-agreements-with-non-eu-countries-in-a-no-deal-brexite#trade-agreements-still-in-discussion>



**Especially at risk
(not exhaustive)**

- **EU Sales**
- **Canada**
- **Japan**
- **Mexico**
- **North Africa**
- **Turkey**
- **Mercosur**
(going forward)

An Immediate Business Action: Identify Tariffs That May Apply

Step ①	Go to the WTO website for tariff calculations http://tariffdata.wto.org/ReportersAndProducts.aspx
Step ②	Insert countries of export and product/s codes
Step ③	Based on outputs from the spreadsheet created, determine impact on you and your customer
Step ④	Create an export impact spreadsheet
Step ⑤	Commence discussions with your overseas buyer

Reporters

Filter: Latest available 3 years, bound tariffs included

Select all Deselect all

- ☐ Democratic Republic of the Congo
- ☐ Djibouti
- ☐ Dominica
- ☐ Dominican Republic
- ☐ Ecuador
- ☐ Egypt
- ☐ El Salvador
- ☐ Estonia
- ☐ Eswatini
- ☒ European Union
- ☐ Fiji

European Union 2018, 2017, 2016, bound tariffs

HS02, HS12, HS17

Products

HS12 All Find Clear

Select all Deselect all

- ☐ 29 - ORGANIC CHEMICALS
- ☒ 30 - PHARMACEUTICAL PRODUCTS
 - ☒ 3001 - Glands and other organs for organo-therapeutic uses, dried, whether or not powdered; extracts of glands or other organs or of their secretions for organo-therapeutic uses; heparin and its salts; other human or animal substances prepared for therapeutic or prophylactic uses, not elsewhere specified or included.
 - ☒ 3002 - Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera, other blood fractions and immunological products, whether or not modified or obtained by means of biotechnological processes; vaccines, toxins, cultures of micro-organisms (excluding yeasts) and similar products.
 - ☒ 3003 - Medicaments (excluding goods of heading 30.02, 30.05 or 30.06) consisting of two or more constituents which have been mixed together for therapeutic or prophylactic uses, not put up in measured doses or in forms or packings for retail sale.
 - ☒ 3004 - Medicaments (excluding goods of heading 30.02, 30.05 or 30.06) consisting of mixed or unmixed products for therapeutic or prophylactic uses, put up in measured doses (including those in the form of transdermal administration systems) or in forms or packings for retail sale.
 - ☒ 3005 - Wadding, gauze, bandages and similar articles (for example, dressings, adhesive plasters, poultices), impregnated or coated with pharmaceutical substances or put up in forms or packings for retail sale for medical, surgical, dental or veterinary purposes.
 - ☒ 3006 - Pharmaceutical goods specified in Note 4 to this Chapter.
- ☐ 31 - FERTILISERS

30xxxx PHARMACEUTICAL PRODUCTS

Companies Should Create an Export Impact Spreadsheet *(this also applies for trade in services)*

Export Sales						
European Union Sales	Sales	%age total sales	EU Import Tariff	Who Pays Tariff (Exporter or Importer)	Negotiating Stance	
Europe (list country)						
e.g. Austria						
France						
Germany						
Spain						
Europe Total	-					
Rest of World Sales	Sales	%age total sales	Import Tariff (WTO tariff)	Trade Agreement with European Union	UK Continuity Agreement Signed	Tariff Currently Applicable Post Brexit
e.g. Canada						
China						
Japan						
United States						
Tunisia						
Turkey						
Rest of World Total						

<http://tariffdata.wto.org/ReportersAndProducts.aspx>

Access WTO site to determine Rest of World Tariffs

https://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/index_en.htm

www.export.org.uk

<https://www.gov.uk/guidance/uk-trade-agreements-with-non-eu-countries-in-a-no-deal-brex-it#trade-agreements-that-have-been-signed>

IMPORT: Companies Importing May Also Have to Pay Import Tariffs

The same principle applies for companies importing from the European Union, and Rest of the World

- If UK leaves EU import tariffs may be payable (whereas currently there are no such tariffs)
- The Government announced in March this year that in the event of a no-deal Brexit '12 month temporary import tariffs' will apply (*please note these may be subject to change*)

Tariffs were removed on around 85% to 90% of imported goods



Tariffs removed on raw materials which are part of production processes e.g. manufacturing, bakery, clothing & car parts



Tariffs still apply for food and drink products



Tariffs still apply for finished goods e.g. clothing, cars



<p>A Reverse Charge VAT Mechanism applies for businesses trading in the European Union</p>	<p>Introduced by EU to simplify accounting for VAT within the Single Market</p>	<p>Responsibility for the VAT and it's reporting falls on the BUYER not the seller <i>(however the buyer can reclaim VAT back in the same way as they do for domestic VAT).</i></p>
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The aim of this is to reduce the need for the seller to have to register in other EU countries for VAT where the supply is made.

If Brexit happens then these procedures will cease

A UK exporter will have to apply the same VAT zero-rating processes as they do for the Rest of the World
-whereby exports are zero rated for VAT (subject to proof of export)

An EU importer would still have to pay Import VAT, BUT they have to pay VAT upon import!
-unless they can defer payment of VAT
– EU customers should be made aware of this impact

VAT and UK Imports

<p>In the event of the UK leaving the EU, goods received from the EU will also be classed as imports</p>	<p>VAT (and tariffs) are due for payment at the point of entry</p> <p>The value of imports is calculated on the customs value</p>	<p>VAT is charged at the same rate as UK supplies</p>	<p>If the goods are for you to make taxable supplies or use in your business, you can reclaim the VAT paid on your VAT Return. You will need the import tax certificate (form C79) to prove you paid the import VAT. HMRC will send you this form</p>
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So what can companies do to avoid paying VAT and Tariffs at the point of Entry

- ✓ Postponed VAT accounting in the event of a no-deal Brexit (businesses will be able to account for VAT on their VAT return <https://www.gov.uk/government/publications/vat-for-businesses-if-theres-no-brex-it-deal/vat-for-businesses-if-theres-no-brex-it-deal>)
- ✓ Transitional Simplified Procedures – this will also result in **less inspection** and **simplified import declarations**
<https://www.gov.uk/guidance/register-for-simplified-import-procedures-if-the-uk-leaves-the-eu-without-a-deal>
 - Bank guarantee for duty deferment account
 - Use of freight forwarders duty deferment account

Treatment of VAT -Trade in Services

VAT – Trade in Services (in the EU)

Place of Supply: When providing services in the European Union, VAT is accounted for in the country where the place of supply is

If the EU customer is VAT registered, the place of supply is the EU country where the customer is established	The reverse charge mechanism applies which 'shifts' the obligation to the customer, to account for the VAT	No VAT is charged by the supplier (UK seller) on the sale
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UK company supplies services to a Spanish customer

Place of supply is Spain and Spanish VAT will require to be accounted for

The UK business can zero rate their sale to the Spanish business

Note: If the customer is not VAT registered, the place of supply is where the supplier is based

VAT – MOSS

(in the event of a no-deal)

Businesses that sell digital services to consumers in the EU and want to continue to use the MOSS system will need to register for the VAT MOSS non-Union scheme in an EU member state

MOSS (Mini One Stop Shop): Online service allowing EU businesses that sell digital services to consumers in other EU member states, to report and pay VAT via a single return and payment in their home member state. Non-EU businesses can also use the system by registering in an EU member state.

This can only take place after the date the UK leaves the EU. The non-Union MOSS scheme requires businesses to register by the 10th day of the month following a sale.

Examples of services covered by MOSS

**Website
hosting**

**Supply of
Software**

**Access to
Databases**

**Downloading
apps and
music**

**Distance
Teaching**

Customs Declarations

Export declarations from the UK

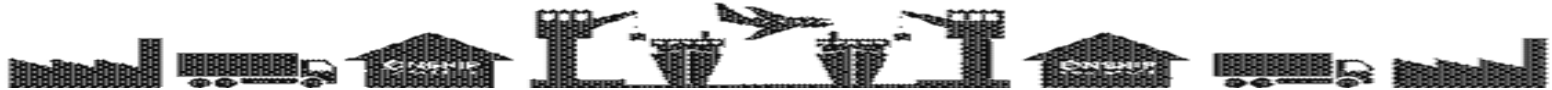
Import declarations into the UK

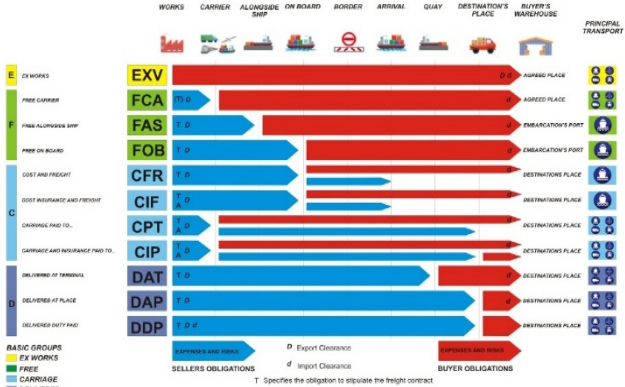
Export declarations from the EU

Import declarations into the EU



Customs Impact on the European Trade Journey



Exporter's Premises In Paisley	Exported Goods Loaded onto lorry at Paisley	Delivered by Lorry from Paisley to Felixstowe	Goods must Clear Customs at Felixstowe	Goods then loaded on Vessel at Felixstowe	Vessel sales to Antwerp goods are taken off vessel	Goods clear Customs at Antwerp	Goods transported by Road from Antwerp to buyer's premises in Essen (Germany)	Goods Arrive at Buyer's Premises in Essen	Goods unloaded from Lorry into Buyer's Warehouse / facility
<u>Currently</u> Goods move in free circulation Limited trade documents No pre-shipment declaration	<u>Currently</u> Haulier requires no additional information for Safety & Security purposes		<u>Currently</u> ✓ No export formalities, ✓ No inspections			<u>Currently</u> ✓ No export formalities, ✓ No inspections ✓ No tariffs ✓ No quotas ✓ No Border Inspection Posts	Goods move under Common Transit Convention		
<div>Incoterms determine who is responsible for making the Customs declaration<ul style="list-style-type: none">In the UKIn the EUAnd who pays the import tariff</div>			<div></div>						
			<div>So many small businesses are selling on ExWorks - problems ahead!</div>						

WHAT COULD HAPPEN:

- ✗ Customs formalities required, including inspections and customs declarations
- ✗ Increased trade documentation
- ✗ Exports subject to import duties, and possible quotas in the European Union

Making a Customs Declarations

So, How Can a Company Make a Declaration?

1. Ask a freight forwarder / agent
 - This comes at a cost and companies may encounter capacity issues amongst forwarders / agents

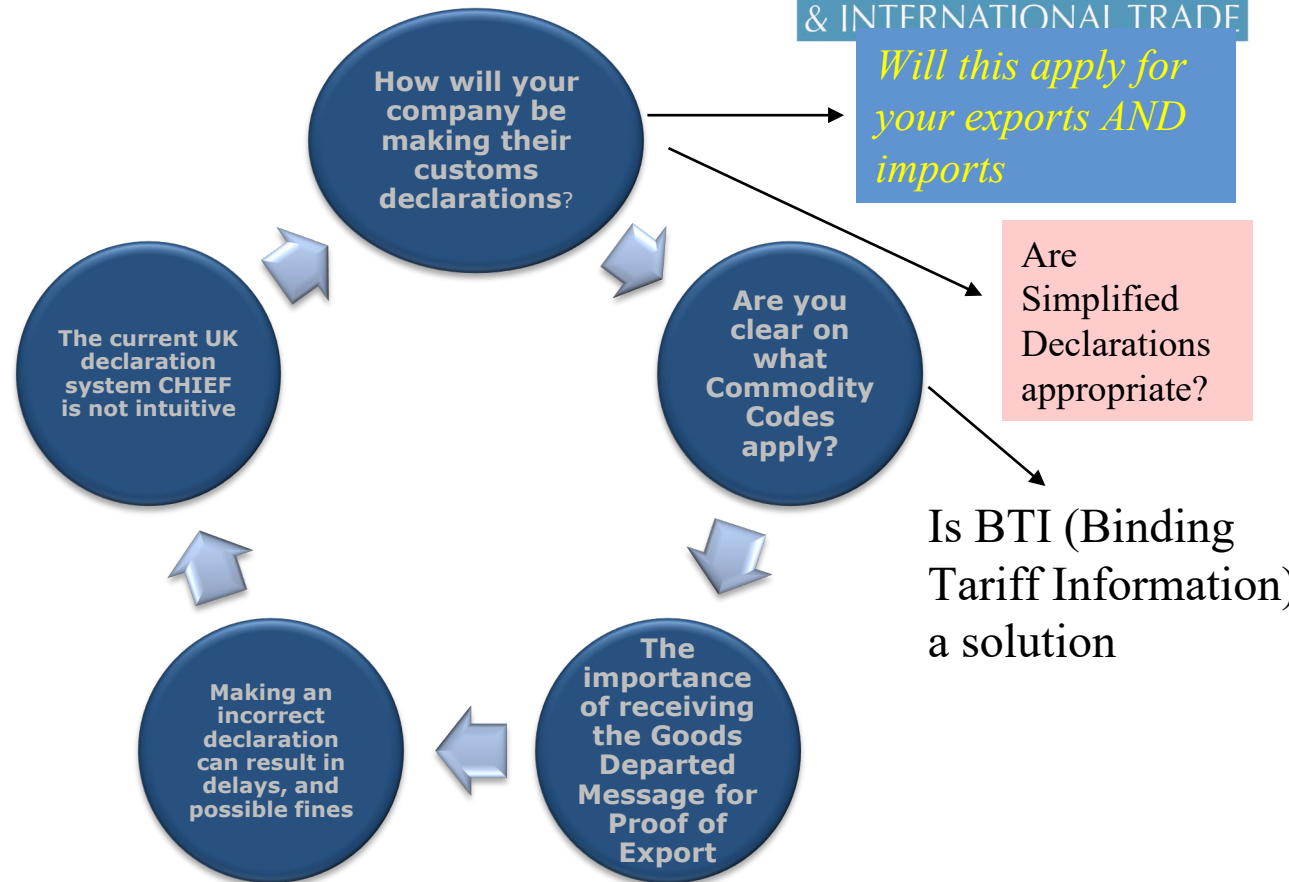
YOU HAVE TO ASK NOW

2. Do It Yourself

- Purchase Software, and
- Train your staff

WHATEVER YOU DO, YOU ARE LEGALLY RESPONSIBLE FOR THE CUSTOMS DECLARATION

Customs Training Grants are available until 31st January (or when funding runs out)
-train your staff
100% cost covered up to
-£250 per delegate per course
-£2,250 per company in-house (Customs courses)



*Even if you have covered the UK declarations, problems could still arise in Europe
-the customer / supplier is also likely to have to make a declaration ARE YOUR CUSTOMERS AND SUPPLIERS READY?*

ATA Carnets (Temporary Exports)

Carnets facilitate temporary export to foreign countries and re-importation into the UK

Carnet system applicable to 78 countries	By presenting an ATA Carnet document to foreign customs, goods travel duty free and import tax free into a carnet country for up to one year.
ATA Carnets are obtained from an accredited Chamber of Commerce -there is a cost and application process required	If the UK leaves with no deal then UK businesses will require to provide Carnets (which is not required today as part of the EU) <i>-although official confirmation is awaited in this respect</i>

Questions

Brexit and Trade in Services

Brexit Impacts: Trade in Services

WORLD TRADE
ORGANIZATION



164 members of the WTO, all the
world's main trading nations



To consider implications for services we need to look at fallback position of the WTO General Agreement on Trade in Services (GATS) which:

- Provides a general framework encouraging cross-border trade in services
- Requires Member states to commit to liberalise trade in services where possible, but with scope for members to make exceptions and exemptions if in national, or strategic interests,
- Covers:
 - Supply of services cross-border,
 - Freedom to consume services in another country,
 - Establishment of commercial entities in another country,
 - Ability of individuals to travel to other countries to supply services

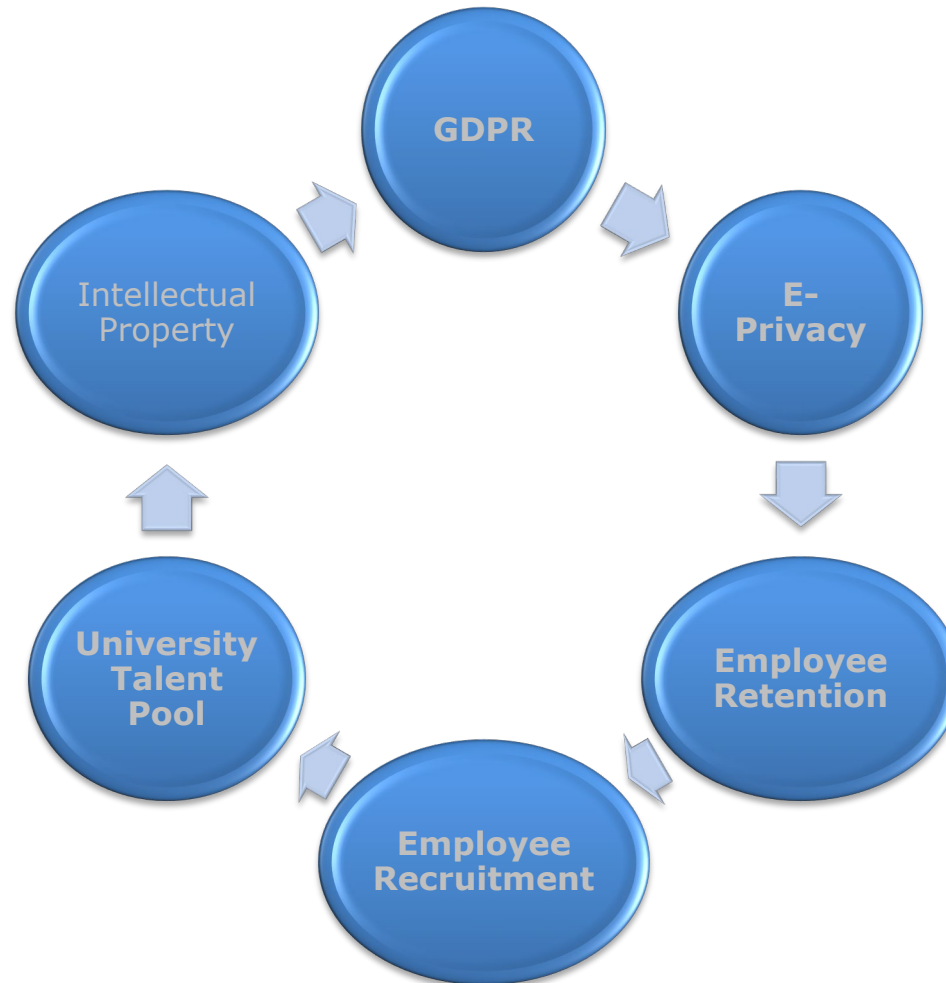
The EU has trade agreements with 70+ countries, with some of the trade agreements covering some aspects of trade in services (16 of these trade agreements have been 'rolled over')

export.org.uk

As a member of the WTO, the UK still benefits from the WTO Information Technology Agreement covering worldwide access to high-tech goods, for example computers, mobile phones and semiconductors.

Software as a Service (SaaS)

- **What are the Brexit impacts**



and
Government
policy on
investment,
tax and
regulations

Access to the Digital Single Market (DSM)

Summary

Introduced in May 2015, one of the European Commission's 10 political priorities.:

- 1.Improving access to digital goods and services
- 2.Creating an environment where digital goods and services prosper; high-speed, secure and trustworthy infrastructures provided under regulatory conditions

EU has negotiated exemptions with other countries, e.g. on screen quotas and deposits & taxes for films (UK would have to negotiate its own exemptions post Brexit).

UK produced content could be excluded from national quotas in favour of EU-produced content.

Scenarios post Brexit include;

- UK service providers could lose access to the country of origin (COO) principle, protecting service providers established in one Member State from restrictions imposed by other EU Member States, on receiving their services.
- Companies only need to comply with rules of the country where they are established, not rules of 28 different States. Companies may consider a need to establish EU headquarters. If UK joins DSM under a future agreement, companies could continue to 'broadcast' to Europe from UK.
- UK would have 'association status' losing voting rights for DSM legislation including definitions of an economic service, editorial responsibility and changes in definition of the COO.

Trade in Services: Points to Note

Domain names

UK businesses will no longer be able to hold EU domain name, unless they have a legal entity in the European Union.

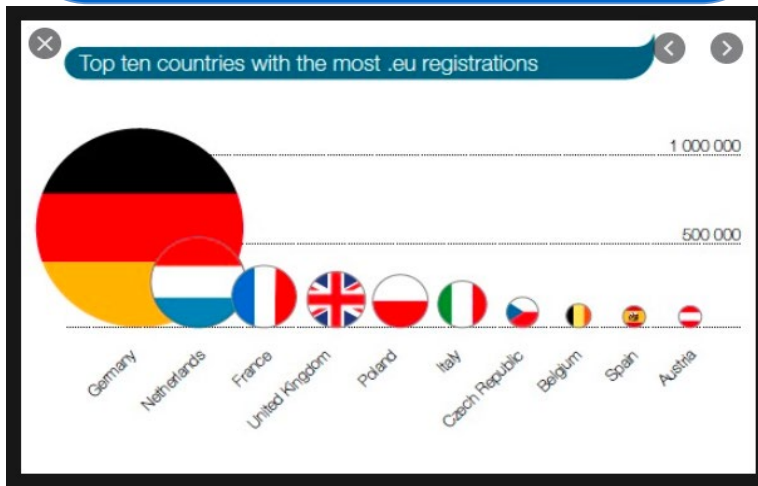
UK businesses will receive a communication from EURid indicating that they have until 1st January to remain compliant

Country of Origin Principle for Audio Visual

This allows broadcasters licensed in one EU member state to broadcast in another member state, within quotas.

In essence EU countries can determine whether they accept services from a third country and on what terms.

UK businesses may want to consider legal status and representation in the EU.



Audio Visual – At Present

Audiovisual Media Services Directive (AVMSD) sets out the country of origin principle

- audiovisual media service providers only subject to jurisdiction of one EU country.
- providers of broadcasting channels and of video on demand services based in one country are only subject to one set of rules and regulation from this 'country of origin'.
- A broadcasting licence issued by Ofcom, is valid for the whole of the EU.
- In the first instance a provider is established where the head office and editorial decisions for a service are taken.

Council of Europe Convention on Transfrontier Television (ECTT).

Alongside this directive the UK, along with 20 other EU countries, is a signatory to ECTT

- ❑ *EU countries that have signed and ratified ECTT are Austria, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Finland, France, Germany, Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia, Slovenia and Spain.*

ECTT guarantees freedom of reception between parties

and

that parties must not restrict the retransmission of compliant programmes within their territories.

European Works is a content quota system for broadcasters and on demand services designed to promote domestic European production and preserve European cultural identity.

It forms part of both ECTT and AVMSD.

Audio Visual – No Deal

Extracts from <https://www.dlapiper.com/en/uk/insights/publications/2019/04/no-deal-brexit/media-sport-and-entertainment/> and <https://www.gov.uk/government/publications/broadcasting-and-video-on-demand-if-theres-no-brexit-deal/broadcasting-and-video-on-demand-if-theres-no-brexit-deal>

AVMSD directive will no longer apply in the UK, impacting European service providers.

If there is no deal, AVMSD and the country of origin principle will no longer apply to services under UK jurisdiction that are broadcast into the EU, as the UK would be classified as a third country.

Recital 54 of AVMSD sets out that EU countries are free to take whatever measures they deem appropriate with regard to audio visual media services that come from third countries, provided the measures comply with Union law and the international obligations of the Union.

The ECTT framework continues to apply, but does not cover Video on Demand Services

- **Copyright clearance in satellite broadcasting:** UK-based broadcasters that currently rely on the country-of-origin copyright clearance rule may need to obtain copyright clearance for each member state that they broadcast into.
- **Orphan works copyright exception:** UK-based Cultural Heritage Institutions that make works available online in the EEA under the exception may be infringing copyright.
- **Collective Management of Copyright:** UK collective management organisations will not be able to mandate EEA Collective Management Organisations to provide multi-territorial licensing of the online rights in musical works.

Exporting Services to the EU

Exporting Services to the EU

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

Find Brexit guidance for your business

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

Search

Q services

68 publications

☒ Get email alerts ☐ Subscribe to feed

Containing X services

Sector / Business area ^

- ☐ Accommodation
- ☐ Aerospace and space
- ☐ Agriculture and farming

Sort by Relevance

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

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

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

Cross-Border Trade Regulations

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

Guidance relating to all EEA and EFTA countries

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

17 June 2019 Guidance

Country guides

[Austria: providing services after Brexit](#)

28 February 2019 Guidance

[Belgium: providing services after Brexit](#)

6 March 2019 Guidance

[Bulgaria: providing services after Brexit](#)

11 March 2019 Guidance

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

Regulations and Compliance

Origin
Certifications
GDPR

Origin Related Issues

One of the biggest factors facing companies is on proving origin (nationality of goods)

Current EU Free Trade Agreements (FTA's) allow eligible goods to originate from any EU Member State

- Future UK FTA's may only allow eligible goods to originate in UK
 - ❑ EU Origin goods may not qualify

UK origin goods may not be eligible for EU Trade Agreements in future

- EU manufacturers may consider changing sourcing arrangements

This is important!

If UK and EU agree an FTA to remove tariffs for each other's goods, UK goods entering the EU will have to prove that they are from the UK under rules agreed in FTA.

50% to 60% of 'value' (sales value) is required to claim origin. Post-Brexit, what was EU origin will have to be separated into UK and EU. Even if there is an FTA, tariffs would apply for exports to the EU if the % UK origin threshold cannot be reached

- After Brexit, UK materials and processing will not count as originating for EU FTAs.

– This could affect your sales into the EU if your customer onward sells under preference to other markets.

A new UK Certificate of Origin will apply – companies must contact their accredited Chamber of Commerce to confirm processes

GDPR and Data Flows



Potential Issue	Under GDPR, personal data can be shared between EEA member states but information cannot be transferred to 'third countries' outside the EEA unless they have adequate data protection laws in place to allow transfer
Possible Impact for Businesses	UK becomes a third country, UK companies may not transfer personal data unless there is a legal data transfer solution in place
Possible Solutions	<p>UK is recognised as an approved country by EU, and personal data may freely be transferred to/from EU Member States; referred to as 'Adequacy status'. Whilst likely it is not guaranteed (and may not be in place until after UK leaves EU).</p> <p>UK government has advised companies to start drawing up standard contractual clauses for data transfers in case of no-deal Brexit. This involves companies drafting appropriate clauses and amending contracts.</p> <p>Establish a data center in Europe as a contingency and in the event of other solutions not being implemented (or not implemented before the UK leaves the EU)</p>

Standard Contractual Clauses

ICO (Information
Commissioners' Office)
Standard Contractual
Clause information

[https://ico.org.uk ›
media › ico-
guidance-controller-
to-processor](https://ico.org.uk/media/ico-guidance-controller-to-processor)

EU Standard
Contractual Clause link

[https://ec.europa.eu/i
nfo/law/law-
topic/data-
protection/internatio
nal-dimension-data-
protection/standard-
contractual-clauses-
scc_en](https://ec.europa.eu/info/law/law-topic/data-protection/international-dimension-data-protection/standard-contractual-clauses-scc_en)

Legal challenge in European courts which could impact UK companies reliance on Standard Contractual Clauses to meet GDPR regulations post Brexit (ruling due later this year or early 2020)

Further Factors to Consider

CE Mark (EU) UKCA Marking	Non-Harmonised Goods -UK to EU -EU to UK	Export Licenses -Dual Use Goods to Europe will require an Export License -Encrypted Software increasingly requires an export license
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<https://www.gov.uk/government/publications/open-general-export-licence-export-of-dual-use-items-to-eu-member-states>

Staffing and Human Resources

Supporting EU National Employees

Businesses must do all they can to support EU Nationals employed in their business

On the 30th March 2019, and after a Pilot scheme, the EU Settlement Scheme was formally launched in the United Kingdom to allow EU nationals to apply for settled and pre-settled status.

If the UK leaves the EU without 'a deal' the deadline for applying is 31st December 2020 (with 'a deal' the deadline is 30th June 2021)

Since launch 1.5million people have applied to the EU Settlement Scheme with 300,000 applications in August alone

➤ 1.1million applicants have been granted status to date

Have the EU nationals in your business applied to the EU Settlement Scheme?

If not, should employers speak to EU Nationals to reassure them, and help them in the application process?*

*Ideally Yes, settled or pre-settled status gives individuals the right to continue to work in the UK

☐ Your business will still be able to employ EU citizens after Brexit if they are already living and working in the UK.

The Application Process

<https://www.gov.uk/settled-status-eu-citizens-families/applying-for-settled-status>

Applications can be made by;

- Android (*work is taking place to enable iPhone functionality later in 2019*)
- Post
- Document Scanning Centre (link to list of scanning centres – Edinburgh and Glasgow
<https://www.gov.uk/government/publications/eu-settlement-scheme-id-document-scanner-locations/locations-offering-chip-checker-services>)

Documents Required as part of EU Settlement Scheme Application Process

Proof of Identity	<p>This requires a valid passport or national identity card.</p> <ul style="list-style-type: none"> • The applicant will also need to provide a digital photo of their face <p>Testing is taking place to enable applications to be made on iPhones this year</p> <p>Note: If the applicant does not have any of the above documents they should contact the EU Settlement Resolution Centre.</p>
National Insurance number	<p>The national insurance number is required to allow an automated check of residence</p>
Further documents	<p>Although further documents may not be required, you will be told immediately should they be required (for example employer letter, bank statement)</p>

European Temporary Leave To Remain Scheme (Euro TLR)

<https://www.gov.uk/government/publications/no-deal-immigration-arrangements-for-eu-citizens-moving-to-the-uk-after-brex-it/no-deal-immigration-arrangements-for-eu-citizens-arriving-after-brex-it>

Key Points of Euro TLR

After Brexit, EU citizens who move to UK may apply for a 36 month European Temporary Leave to Remain (Euro TLR), applicable for 36 months from date of granting.	Applications to the new Euro TLR scheme will be; <ul style="list-style-type: none">• free and made after arrival in UK	EU citizens who move to UK after Brexit and who do not apply for Euro TLR will 'have to leave the UK' by 31 December 2020 unless they have applied for and obtained UK immigration status under a UK's new points-based immigration system.
The new system referred to as the 'Australian-style points-based system' applies from January 2021 (the Migration Advisory Committee will review options perhaps built around skills and talent). www.export.org.uk	Previously the Committee were seeking to set a threshold of £30,000 for skilled workers for five- year visas (with some discussion on lowering the threshold to £20,000).	For EU citizens who are living in the UK by 31 October 2019 and their families, they have until at least 31 December 2020 to make an application to the EU Settlement Scheme

Questions

UK Nationals Working
in the EU,
Employee Recruitment
and Communications

No Deal

British citizens lose their EU citizens' rights and become third country nationals.

Some agreements are in place in the event of no deal;

- UK: Switzerland covers the rights of British residents in Switzerland (and vice-versa) in the case of no deal. There are some differences however with a cap in place for 2019 (details for 2020 are awaited).
- Norway, Iceland and Liechtenstein have agreed to reciprocate the UK offer to their citizens in the case of a no deal. As a consequence, British citizens currently living and working in these countries retain broadly the same rights as they do now, although terms are not as generous, e.g. it is difficult to live in Norway and Iceland for longer than three months without a work or study permit.

EU have indicated that it would be up to member states to decide what rights to grant British citizens in their countries,

Rights in the Event of a No-Deal

Most EU countries have indicated they would reciprocate the UK's offer to British citizens living there. However, the deadline for registration in the countries varies from one country to another (*please see next slide*)

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

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

What are EU Member States Offering the UK

The table below is an extract from the Institute for Government detailing what the 11 EU countries with more than 10,000 UK citizens are offering British citizens.

Country	Number of British citizens (thousands)	Work and residency
Spain	309	Same rights as UK
France	157	Can remain without a permit for one year. Then must apply for residency. Conditions vary
Germany	96	Same rights as UK; earlier deadline
Netherlands	41	Same rights as UK; deadline for application 1 July 2020
Belgium	25	Same rights as UK deadline for application: 31 December 2020
Cyprus	24	Same rights as UK
Greece	23.1	Same rights as UK. Deadline for registration to be determined
Italy	23	Same rights as UK; earlier deadline.
Denmark	18.5	Most of existing rights until replaced with a more permanent solution.
Sweden	18	Same rights as UK; deadline for application 29 March 2020.
Portugal	16	Same rights as UK

The 'University Pipeline'

International students will now be allowed to stay in the UK for two years after graduation to find a job, under new proposals announced by the Home Office.

The move reverses a decision made in 2012 forcing overseas students to leave four months after finishing a degree.

Commences academic year 2020-2021

Business Travel

- After Brexit, UK citizens travelling to the Schengen area – comprising 26 Schengen countries - for a short stay should be granted visa free travel
- A short stay is defined as 90 days in any 180 days
- According to EU rules, visa exemption is granted on condition of reciprocity

Travelling to the European Union: Passports and Roaming Charges

The design of British passports is changing as a result of Brexit;

- Since 30 March, new British passports have continued to be **issued in burgundy**. Some passports have been issued with the words 'European Union' on front cover, and some without. Government guidance indicates:
"There will be no difference for British citizens whether they are using a passport that includes the words European Union, or a passport that does not include the words European Union. Both designs will be equally valid for travel."
- **Blue passports** without the words 'European Union' will be issued from late 2019 in a phased approach. All British passports issued from early 2020 will be blue."



Passports following a no-deal Brexit

Government guidance for people who plan to travel to EU after a potential no-deal Brexit states that passport holders should have at least six months left.

Check validity of
your passport and
find out more:
[gov.uk/brexit-
check-passport](https://gov.uk/brexit-check-passport)



If the UK leaves the EU, UK operators would be able to apply roaming charges for use in the EU, up to a limit of £45 a month.

Vodafone, 02 and EE however have indicated that they do not have any plans to introduce charges

Driving in the European Union

<https://www.gov.uk/guidance/driving-in-the-eu-after-brex-it-international-driving-permits>

- International Driving Permits (IDP) may be required in addition to a UK driving license. The weblink above details IDP requirements by country
- GB Stickers will be needed on cars, including those that bear an EU flag and GB on the license plate
- In the event of a no deal Brexit, UK drivers in the EU after the UK leaves, will be required under EU regulations to obtain a Green Card from their insurer as proof of insurance.

The Post Office advise that if there is a need to issue Green Cards for travel after 31st October 2019 - to contact them 21 days before travel and they will arrange for one to be sent.

Intellectual Property

Trade Marks

Extract from September 2019 Government notice

If the UK leaves the EU, existing EU Trade Marks (EUTM) will continue to be valid in EU Member States

UK businesses will still be able to register an EU trade mark, covering all EU Member states

The UK intellectual Property Office (IPO) will create comparable UK trade marks which will be recorded on the UK register (these comparable UK rights will retain the filing dates recorded against the corresponding EU Trade Mark)

These will be created automatically and free of charge, and rights holders will be notified that a new UK right has been granted.

Pending applications will need to be refiled in order to obtain protection in the UK.

International Trade Mark System

UK is still a member of the international trade mark system (the Madrid System). Applicants can protect trade marks in up to 103 countries (which includes the EU)

For trade marks and registered designs filed through the Madrid and Hague Systems, the UK is working with the World Intellectual Property Organisation to provide continued protection in the UK.

Brexit and Trade Marks: Points for Consideration

In terms of competitive positioning there is a possibility that UK businesses may need to review the UK register after 1 November to assess the threat posed to their brand by any new comparable UK trade marks;

- ☐ perhaps for example where the EU Trade Mark was set up by a company to focus only on EU countries and
- ☐ it was not intended for a UK strategy.

Earlier rights may need to be asserted against the comparable UK trade marks which have been created.

This is to ensure brand integrity, or solutions to competing rights.

It is considered that there are 1.7 million EU trade marks and registered designs to be 'cloned' onto the UK register and this could impact businesses with only a UK strategy for their branding

Post Brexit there could also be an impact around protection of the original EU Trade Mark. This will be retained however UK businesses may find it harder to protect the original EU Trade Mark.

Businesses may have to demonstrate they are using their right in EU countries, and will have to do the same in the UK to protect the comparable UK mark.

(previously if the right was being used in the UK the business could defend use of their right within the EU)

A business could also consider filing a single trade mark application through the World Intellectual Property Organisation (WIPO) for protection in up to 113 territories, including the EU, and at the national level through application to the relevant national intellectual property office

However as with all intellectual property considerations an intellectual property specialist should be consulted on this possibility

**Registered
Community
Designs (RCD)**
*For example
packaging and
logos*

If the UK leaves the EU an existing an existing RCD will continue to cover the remaining EU Member States.

Businesses with an existing RCD will have a new UK equivalent right granted, entering into force when the UK exits from the EU. The intention is that the new UK right is provided with 'minimal administrative burden' (*further advices may follow*).

The design will be treated as if it had been applied for and registered under UK law.

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European Patents

The UK's exit from the EU has no impact on the current European patent system.

The European Patent Convention is a non-EU organisation. There are currently 38 EPC member states, including non-EU members such as Switzerland, Turkey and Norway.

UK businesses can accordingly continue to apply to the European Patent Office for patent protection (which includes the UK).

Existing European patents covering the UK are also not impacted.

Businesses should be aware that there will be reforms to European patent law: with the introduction of the European patent with unitary effect and the Unified Patent Court (UPC). This would enable a patentee to enforce their patent across Europe with just one action before the Unified Patent Court. All decisions taken by the UPC, including injunctions, damages and decisions - on the validity of a patent - would have pan-European effect.

Businesses should monitor the impact once changes take effect

Supplementary Protection Certificates (SPCs)

Supplementary Protection Certificates (SPCs)

-applicable for patented pharmaceutical and plant protection products, authorised by regulatory authorities. SPC's act as an extension to a patent right. An SPC can extend a patent right up to five years

While the UK remains a full member of the EU, businesses can continue to apply for and be granted SPCs for patented pharmaceutical and plant protection products using the current SPC system.

Existing UK SPCs which have been granted will continue to be valid.

After the UK leaves the EU, UK businesses will still be able to apply for SPCs in EU Member States under the existing system.

Government notices indicate that they will continue to maintain the current SPC legal framework in the UK, after leaving the EU (*although further announcements may follow*).

Over time the EU and UK approach to Supplementary Protection Certificates could diverge

If there is a need for enforcement action businesses must discuss the position with an Intellectual Property specialist

- **With respect to the need, in the event of a no deal, to take enforcement action in both the EU and UK**

Weekly Planner
*-Let us now
consider a
weekly planner*

Companies Should Create A Weekly Activity Planner (from now until the 31st October and beyond)

*Sign up, receive and review alerts the 'Email Alert Subscription' from the Department for Exiting the European Union**

https://www.gov.uk/government/email-signup/new?email_signup%5Bfeed%5D=https://www.gov.uk/government/organisations/department-for-exiting-the-european-union.atom

W/C 21st October			W/C 28 th October	Add further weeks

Consider all the areas we have discussed today and note actions that your business will need to consider
-prioritise the actions

Questions