

# Brexit business readiness – Top 10 Actions

**Time is running out – is your business prepared? New rules for businesses take effect following the end of the EU Transition Period on 1<sup>st</sup> January 2021. This checklist summarises the key actions businesses should take now if they haven't already done so.**

Regardless of whether an EU/UK trade deal is agreed there will be significant changes. These will affect most businesses in Scotland, whether or not they trade with the EU.

Many of the key changes that businesses need to make are already known. For those changes that depend on the outcome of the EU/UK negotiations, including trade tariffs, businesses should plan on the basis of a deal *not* being agreed.

Further information, advice and support is available on [www.PrepareforBrexit.scot](http://www.PrepareforBrexit.scot), the go-to site for Scotland's business readiness.

## **1. Brexit transition planning**

Use [GOV.UK's transition period checker](#) to identify the key changes affecting your business. Consider both the strategic and tactical implications of Brexit for your operations, now and in the future. Involve relevant staff to review the potential changes needed across all areas of the business. How can you access the right skills and talent? Are there new competitive opportunities you can explore - e.g. new markets, strategic alliances, distributors or suppliers?

## **2. Trading with the EU**

[Get support, including recruitment and training grants, to help you to submit the necessary customs declarations.](#) The process for [importing and exporting goods from the EU](#) will change from 1 January 2021. Traders need to make arrangements to [submit customs declarations](#) once the UK leaves the single market and customs union. Most businesses choose to hire a person or business to help with importing and exporting, such as a customs agent, freight forwarder or authorised Chamber of Commerce, and early conversations with customs intermediaries are advised.

[Register with the free Trader Support Service](#) if you trade with Northern Ireland. The Trader Support Service will guide you through the changes for goods movements between Northern Ireland and Great Britain and can also complete declarations on your behalf.

## **3. Trading with third countries**

**Check if the UK has negotiated a trade agreement with the non-EU countries you will be trading with.** Find out about [trade continuity agreements](#) the UK has signed and agreements that are still under discussion. Be aware that the terms of trade covered by certain EU trade agreements adopted by the UK (such as with Switzerland) may have changed.

## **4. Supply chain and customers**

**Speak to your existing customers and suppliers to check that both you and they are Brexit-ready.** Identify if changes to supply chains are needed to meet [new UK rules of origin requirements](#) in the event of a no-deal outcome, and [consider identifying alternative suppliers](#) to help reduce risks to your business. Showing that you are actively managing any risks and opportunities will increase confidence among your customers and suppliers.

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## 5. Financial management

**Stress-test your business so you can anticipate and adapt to changing costs.** From staff recruitment to customs documentation and [potential tariffs in the event of a no-deal outcome](#), additional Brexit-related costs could affect businesses across supply chains. **Carry out cashflow projections and speak to your bank initially should you need flexibility for existing borrowing and any new borrowing requirements.**

## 6. People, workforce and skills

**Register as a licensed sponsor if you are likely to recruit staff from outside the UK.** The right of free movement for UK and EU citizens to live, work and study in respective territories is ending and [the UK is introducing a points-based immigration system](#). From 1 January 2021 businesses recruiting staff from outside the UK, excluding Irish citizens, need to apply for permission first and then [register as a licensed sponsor](#). This normally takes eight weeks and fees apply. EU, EEA and Swiss citizens you already employ can continue to live and work in the UK by [applying to the EU Settlement Scheme by 30 June 2021](#).

## 7. Sector-related regulatory changes

**Identify any regulatory changes for your products or service.** These include [export health certificates for the food sector](#), [REACH for the chemicals and other manufacturing sectors](#) and [regulations for medical devices and clinical trials for the life science sector](#). Speak to your trade body for specialist advice.

[Get your qualifications recognised now by EU regulators so that you can practise or service clients in the EU.](#) **Businesses or professionals providing services in the EU or EFTA region will need to have UK professional qualifications officially recognised by the appropriate regulator for their profession in each country where they intend to work.** This applies even for providing short-term or occasional professional services. If you do not do this, you may be unable to continue to practice or service clients in the EU from 1 January 2020. There are different rules if you are a [lawyer](#) or an [auditor](#).

## 8. Product and other operational regulations

**Make sure you take steps to change product labelling.** The CE mark is being replaced by the [new UKCA \(UK Conformity Assessed\) mark](#) for goods being placed on the market in Great Britain. There is a grace period for most products when the CE mark can still be used until 1 January 2022. [Goods sold in the Northern Irish market](#) will also require the CE marking or UK(NI) mark. Products currently requiring a CE mark [will still need a CE mark](#) for sale in the EU. The UKCA mark will be not recognised on the EU market. Arrangements for [labelling food-related products](#) will change following the transition period.

## 9. Data, IP and legal contracts

**Businesses and organisations that [receive personal or customer data from the EU/EEA](#) may need to ensure compliance with data protection from 1 January 2021.** This includes customer information from an EU/EEA company, such as names and addresses of customers, suppliers and partners. If the EU grants the UK a positive data adequacy decision, the free flow of personal data will continue uninterrupted. However, to manage the risk that the UK's data adequacy is not granted **businesses and organisations should insert [new standard contractual clauses](#) into contracts to continue to legally receive personal data from the EU/EEA.** Transfers of personal data from the UK to EU/EEA will not be affected.

## 10. Business travel in the EU

**Know the rules for working in EU countries after 1 January 2021.** If you travel to the EU for work purposes you may need a [visa or work permit](#), or additional documents depending on your business activities. You should also [check your passport remains valid](#) for at least six months. This applies to anyone travelling to the EU for work purposes, for example, professional and business services, manufacturing, charities or the arts.

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