

# **Brexit: Preparing for the Future**

Exercise



# **Exercise**

This document describes an exercise that you will be asked to consider during the presentation of the course

# **Brexit: Preparing for the Future**

It is subject to copyright law and should not be reproduced by any unauthorised person for their own use, selling on to a third person or for presentation to other people.

UK Training (Worldwide) Limited 17 Duke Street Formby L37 4AN

Website: www.uktraining.com Email: info@uktraining.com Telephone: 01704 878988

# **Business Risks and Opportunities**

# **Brexit SWOT analysis**

#### Aim

- To gain insight in your business "touch points" with EU and international activity
- Identify relevant issues and gauging impact when changing to a new commercial environment
- Prepare an action list for your business
- Look at Strengths, Weaknesses, Opportunities and Risks in the light of changing to a new commercial environment

### Consider the following:

#### General

 Have you looked at information resources? Which ones, were they helpful and why or why not?

#### Staff & Business travel

- Discuss current and future recruitment needs
- Do you employ EU nationals? Have you communicated with them to apply for (Pre)-Settled Status?
- Is your business dependent on EU national staff? If so, can you afford sponsoring overseas staff where you used to have easy access to EU staff?

What are your future business travels? Do you have to carry out contracts in the EU

- Are you in a position to recruit locally and (re) train existing staff?
- Are there other alternatives to potential staff shortages?

		•	

#### **Export**

• What is your experience with overseas trade. Will you need to train staff to deal with export procedures?

Consider if you are you ready for **exporting** to the EU:

- Register for a GB Economic Operator Registration and Identification number (EORI). This is automatic for VAT registered businesses
- Check your importer has an EU EORI number
- Decide if your goods can move through common transit countries (Common Transit Convention or CTC)
- Decide whether you will submit declarations yourself or someone else
- If doing it yourself:
  - Apply to use simplified procedures (C&E48)
  - Acquire specialist software
  - Establish the <u>commodity code</u> to calculate the duties that your importer needs to pay (use import to EU from USA as an example for now)
  - If there are no tariffs because there is a trade deal, are you familiar with the Preferential Rules of Origin?
  - Check if there are special rules / export licences for arms export, tobacco, certain oils
  - Check VAT rules

• Find a transporter

•	Demonstrate compliance with <b>EU product rules</b>

#### **Import**

 What is your experience with overseas trade. Will you need to train staff to deal with export procedures?

Consider if you are you ready for *importing* to the UK:

- Register for a GB Economic Operator Registration and Identification number (EORI). This is automatic for VAT registered businesses
- You or your customs agent should have:
  - Access to Customs Handling of Import and Export Freight (CHIEF)
  - · Software that can submit declarations through CHIEF
  - Decide what other customs procedures you could use or if you can use CTC
  - · Set up a duty deferment account with regular imports
  - Check the duty rates or excise duties
  - Check import VAT rules
  - Check if there are special rules / export licences for arms export, tobacco, certain oils

Other things: e.g. change labelling, licences, identifying approved UK border inspection post for entering your goods

#### Regulation

Areas that most businesses should consider (see Readiness guidance and Preparedness Notices). Have you considered the regulatory aspects of the transition to a new commercial environment? E.g.:

- Sector specific regulation (e.g. Food safety, audiovisual and financial services, product safety rules)
- Business regulation
- · Consumer protection and employment law
- Information security
- · Data protection and privacy rights
- Intellectual property rights
- Ecommerce
- Roaming

Other

• Domain names/web hosting

Financial regulation

· e.g. insurance

•	e.g. Tendering rules for public contracts

#### Other considerations

Adapt contracts and INCOTERMS (International Terms and Conditions of Service):

- Reflect you are an exporter or an importer
- Clarify who is paying for increased costs of customs procedures and changes to the value of the pound
- Ensure the territorial scope of the contract is correct, stating the UK as a non-EU country
- Define termination grounds of the contract

Impact of costs on your margin?

- Tariffs
- Import VAT
- Customs paperwork
- · Paperwork Rules of Origin

#### Supply chain

- Are partners in your supply chain ready for the new commercial environment?
- Where do your raw materials come from. Do you expect shortages or an increase in costs?
- What is the effect of zero tariffs on imports from the EU and the rest of the world on your industry?

#### Services

- Are there any services related to your product?
- Do you need to move equipment to the EU?
- Do you have any licences / authorisations / professional qualifications in the UK that may not be valid in the EU?

#### Intellectual Property

<ul> <li>Have you taken action to protect your Trade Marks and Designs?</li> </ul>		

Brexit: Preparing for the Future			
Exercise			

# 2) From the discussions under 1, identify actions

Brexit Action List				
Risks identified	Actions	Urgency? High/Medium/Low	Who is responsible?	
1				
2				
3				
4				
5				
6				
7				
NOTES				

# 3) Based on findings in 1 and 2, formulate Strengths, Weaknesses, Opportunities and Threats

**Strengths**: What are your Business' Unique Selling Points

Weaknesses: Where do you need to improve compared to your competitors?

**Opportunities**: Can you identify where there is opportunity in change? What are your competitors not doing? Opportunities outside the EU?

Threats: What is your exposure to the EU market? E.g. Access to market, staff, increased costs

NOTES	

Strengths, Weaknesses, Opportunities and Threats with regard to your business and Brexit		
STRENGTHS	WEAKNESSES	
OPPORTUNITIES	THREATS	

# UK Training (Worldwide) Limited

17 Duke Street Formby L37 4AN w www.uktraining.com

t 01704878988

e info@uktraining.com

