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BREXIT

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THE UK AND THE EU HAVE PUBLISHED A LAST ROUND OF GUIDANCE ON PREPARATIONS FOR A NO-DEAL BREXIT.



'BREXIT PREPAREDNESS CHECKLIST' FOR COMPANIES DOING BUSINESS IN THE EU

EC ON BREXIT

Preparing for a 'no-deal' scenario

In a 'no-deal' scenario, the UK will become a third country without any transitional arrangements. All EU primary and secondary law will cease to apply to the UK from that moment onwards. There will be no transition period, as provided for in the Withdrawal Agreement. This will obviously cause significant disruption for citizens and businesses and would have a serious negative economic impact, which would be proportionally much greater in the United Kingdom than in the EU27 Member States.

Since December 2017, the European Commission has been preparing for a 'no-deal' scenario. To date, the Commission has tabled 19 legislative proposals, all of which have now been adopted by the European Parliament and Council. The Commission has also adopted 63 non-legislative acts and published 100 preparedness notices. The Commission does not plan any new measures ahead of the new withdrawal date.

Communication: [“Finalising preparations for the withdrawal of the United Kingdom from the European Union on 1 November 2019”](#)

Brexit preparedness checklist

https://ec.europa.eu/info/sites/info/files/brexit-preparedness-communications-checklist_v3_en.pdf

Press release https://ec.europa.eu/info/sites/info/files/04-09-2019-preparedness-ip_final_en.pdf

[Timeline for key EU contingency measures](#)

THE EC REITERATED ITS CALL ON ALL STAKEHOLDERS IN THE EU27 TO PREPARE FOR A 'NO-DEAL' SCENARIO. IN LIGHT OF THE CONTINUED UNCERTAINTY IN THE UNITED KINGDOM, A 'NO-DEAL' SCENARIO ON 1 NOVEMBER 2019, REMAINS A POSSIBLE, ALTHOUGH UNDESIRABLE, OUTCOME.

It is in this spirit that the European Commission has today published a [detailed checklist](#) to help those businesses that trade with the UK to make final preparations. In order to minimise disruption to trade, all parties involved in supply chains with the UK – regardless of where they are based – should be aware of their responsibilities and the necessary formalities in cross-border trade. This builds on previous Communications and 100 stakeholder notices, which cover a broad range of sectors.

In addition to this, the Commission has proposed to the European Parliament and the Council to make targeted technical adjustments to the duration of the EU's 'no-deal' contingency measures in the area of transport. The Commission has also proposed to mirror, for the year 2020, the existing 2019 contingency arrangements for the fisheries sector and for the UK's potential participation in the EU budget for 2020. These measures are necessary given the decision to extend the Article 50 period to 31 October 2019.

Finally, the Commission has proposed that the European Solidarity Fund and the European Globalisation Adjustment Fund are available to support businesses, workers and Member States most affected by a 'no-deal' scenario. These proposals need to be agreed by the European Parliament and the Council.

CITIZENS RIGHTS

THE COMMISSION HAS CONSISTENTLY MADE CLEAR THAT PROTECTING EU CITIZENS IN THE UNITED KINGDOM, AS WELL AS UK CITIZENS IN THE EUROPEAN UNION IS A PRIORITY.

The EU27 Member States have put in place national contingency measures to ensure that UK nationals and their non-EU family members can remain legally resident in the immediate period after a withdrawal without an agreement. The Commission has worked with the EU27 Member States to ensure coherence in the overall approach, while recognizing that flexibility at national level is needed.

- [The Commission provides an updated overview of all national contingency measures on residence rights on its Brexit Preparedness webpages](#)
- [EU citizens residing in the United Kingdom can find information on their residence rights in the United Kingdom on the UK Government's website](#)

While citizens' social security entitlements in relation to the United Kingdom before the withdrawal are protected by the relevant contingency Regulation¹⁶, some Member States are also putting in place unilateral contingency measures at national level for the period after withdrawal. These measures complement the protection of social security entitlements ensured at EU level, for instance by applying the principle of aggregation to periods of work, insurance and residence in the United Kingdom after the withdrawal or by further protecting social security entitlements for these citizens after the withdrawal.

[The Commission provides an updated overview of all national contingency measures in the area of social security entitlements on its Brexit Preparedness webpages.](#)

SELECTED SECTORS

IN EACH OF ITS FIVE PREVIOUS BREXIT PREPAREDNESS COMMUNICATIONS², THE COMMISSION HAS URGED STAKEHOLDERS TO PREPARE.

To help businesses verify their state of preparedness and identify the actions still needed to finalise their preparations in view of a withdrawal without an agreement on 1 November 2019, the Commission has made available on its Brexit Preparedness webpages a '[Brexit preparedness checklist](#)'

The Commission has also published [sector-specific stakeholder notices](#) on a variety of issues [*from public procurement to professional qualifications, from taxation to Internal Market, Industry, Entrepreneurship and SMEs*]

The Commission has prepared a number of notices and detailed guidance documents in the field of customs, origin, Value Added Tax and excises that can all be found [online](#).

Short eLearning courses on the consequences of Brexit in the customs and taxation fields and practical introduction fiches on essential customs concepts are also [available online](#)

¹ Regulation (EU) 2019/500 of the European Parliament and of the Council of 25 March 2019 establishing contingency measures in the field of social security coordination following the withdrawal of the United Kingdom from the Union, OJ L 85I, 27.3.2019, p. 35

² 19.7.2018: COM(2018) 556 final/2; 13.11.2018: COM(2018) 880 final; 19.12.2018: COM(2018) 890 final; 10.4.2019: COM (2019) 195 final; 12.06.2019: COM(2019) 276 final.

IRELAND

In the absence of the Withdrawal Agreement, the departure of the United Kingdom from the EU will lead to two distinct fiscal and regulatory spaces on the island of Ireland. Under international law, and in particular World Trade Organization rules, from 1 November 2019 both the EU and the United Kingdom will be under an obligation to levy on each other's products the tariffs applicable to goods from any other member of the World Trade Organization without preferential arrangements. In addition, EU law will require that all goods entering Ireland from the United Kingdom be subject to the relevant checks and controls to protect the safety and health of EU citizens, preserve the integrity of the internal market and enforce compliance with fiscal obligations (duties, indirect taxes).

The Commission and Ireland continue working together, in the context of the unique situation on the island of Ireland and their twin objectives of protecting the integrity of the internal market while avoiding a hard border, to identify arrangements both for contingency solutions for the immediate aftermath of a withdrawal without an agreement and for a more stable solution for the period thereafter. The backstop provided for by the Withdrawal Agreement is the only solution identified that safeguards the Good Friday Agreement, ensures compliance with international law obligations and preserves the integrity of the internal market.

RESPONDING TO DISRUPTIONS IN THE AFTERMATH OF A WITHDRAWAL WITHOUT AN AGREEMENT

If the United Kingdom withdraws from the European Union without an agreement, many actors are expected to experience disruption, particularly in the first days. The Commission and Member States will remain in close contact to coordinate their response to any issue that might arise and to identify how best to address them.

For the period immediately after a withdrawal without an agreement, the Commission has set up a call centre for Member State administrations, giving them rapid access to the expertise of the Commission services by establishing a direct channel of communication, also for the purposes of facilitating the necessary coordination between national authorities.

EU citizens, business and other stakeholders can contact their national or local administrations through their usual channels.

They can also contact the Europe Direct Call Centre for any questions (Freephone 00 800 6 7 8 9 10 11 from anywhere in the European Union). The Europe Direct Call Centre will have extended hours of operation in the period around the withdrawal.

Taking into account all the circumstances, Standard Contractual Clauses are the most effective way to guarantee a frictionless Brexit transition, until the adoption of more favorable options or frameworks.

Standard contractual clauses provide an important tool: The European Commission has published those that offer sufficient safeguards on data protection for personal data to be transferred from EEA to third countries [for the purposes of this note, from EEA to the UK].

The clauses contain contractual obligations on the EEA data exporter and the UK data importer, and rights for the individuals whose personal data is transferred. Importantly, individuals can directly enforce those rights.

Since 2010, EEA based controllers wishing to rely on Standard Contractual Clauses to legitimize international data transfers to processors outside the EEA, have had to use the updated clauses for new processing operations.

There are three sets of standard contractual clauses that will remain valid until replaced or amended by the European Commission

- 2001 EEA controller to third country controller: <https://bit.ly/2tYaMfa>
- 2004 alternative EEA controller to third country controller <https://bit.ly/2tTAUrA>
- EEA controller to third country processor <https://bit.ly/2PawDgU>

New Contracts

- Use the clauses **in their entirety and without amendment**

New parties in the contract?

- You can add parties (i.e. additional data importers or exporters, both controller and processors) provided they are also bound by the standard contractual clauses

Specificities of the business

- You can include additional clauses on business related issues, provided that they do not contradict the standard contractual clauses.

Remember!

- If you are making a restricted transfer from a controller to a processor, you also need to comply with the **GDPR requirements about using processors**.

COMPANY LAW

THE UNITED KINGDOM WILL BECOME A 'THIRD COUNTRY'

- [Companies incorporated in the UK](#)

EU law provides for the recognition, in a Member State, of a company incorporated in another Member State. Post-Brexit, the recognition of UK-incorporated companies in the EU will depend on (national) law for third country-incorporated companies.

As of the withdrawal date, companies incorporated in the United Kingdom will be third country companies and therefore not automatically be recognised under Article 54 of the Treaty on the Functioning of the European Union by the Member States (in accordance with the case-law of the Court of Justice). Member States will not be obliged to recognise the legal personality (and thus the limited liability) of companies, which are incorporated in the United Kingdom, but have the central administration or the principal place of business in the EU-27 Member States. UK incorporated companies may be recognised in accordance with each Member State's national law (private international law rules concerning companies and the subsequently applicable substantive company law), or international treaties. As a consequence, depending on the applicable national or international law rules, such companies might not have a legal standing in the EU and shareholders might be personally liable for the debts of the company.

Where branches of a UK incorporated company are located in EU-27 Member States, they will be branches of third country companies and accordingly the rules relevant to branches of third country companies will apply.

The websites of the Commission on company law

http://ec.europa.eu/justice/civil/company-law/index_en.htm

and on the European Cooperative Society

https://ec.europa.eu/growth/sectors/socialeconomy/cooperatives/european-cooperative-society_en

[Home](#)

Get ready for Brexit

The UK will leave the EU on 31 October 2019.

Answer a few questions to find out how you or your business should prepare.

Check what you need to do

GOV.UK

AN INTERACTIVE CHECKLIST MEANT TO HELP INDIVIDUALS
AND BUSINESSES TO IDENTIFY AND ADDRESS MAJOR
TOPICS OF CONCERN IN A NO-DEAL SCENARIO.

Available [here](#)



Brexit and research

MRS

THE MARKET RESEARCH SOCIETY [BREXIT HUB](#) has all the latest news about Brexit for professionals and organisations in the research and insights sector.

A '[NO-DEAL BREXIT GUIDANCE](#)' HAS BEEN RECENTLY UPDATED AND IS AVAILABLE [HERE](#).

The guidance focuses on the three most important topics for the sector, highlighting the temporary measures needed to be adopted. In particular:

- International Transfers of personal data: which conditions will apply?
 - If you transfer personal data outside the UK, you will have to comply with the UK GDPR provision on international transfers.
 - If you receive personal data from the EEA, it is in your interest to cooperate with your EEA partners complying with the GDPR provisions on international transfers.
- Appointment of EU Representative: how to comply with the GDPR requirement?
- Settlement scheme: how to support EEA employees?

