



No-Deal Brexit Preparation Factsheet

This factsheet compiles a number of online resources to assist Dublin businesses in taking steps to prepare for a hard Brexit. Please note that the following is only a brief overview and should not be considered comprehensive. This information has been assembled to provide helpful information on the potential exposures which may arise in a no-deal Brexit. However, Dublin Chamber also strongly advises members to take independent professional advice. With a no-deal Brexit appearing increasingly likely, these are areas that demand immediate attention.

Customs, Tariffs and Administration

Once the UK leaves the EU and customs union, any import or export moving to and from Ireland and the UK will require customs declarations.

- Businesses will be required to obtain an [EORI number](#), which can be applied for through Revenue. Businesses can either apply themselves, or choose to engage with a customs agent to file the declaration on their behalf.
- Customs duties will apply to goods moving to the UK from Ireland and vice versa. Irish importers and exporters will be required to assign [classification codes](#) to their goods to determine the rate of duty. The rate of the duty will depend on the assigned commodity code. Code classification will become a [cost to trade](#) for companies trading with the UK.
- As the UK will no longer be a part of the customs union, additional administration requirements and resources may be required to deal with new border arrangements. Businesses should consider whether deliveries can be shipped prior to 31 October 2019 and whether extra supplies of key raw materials can be stored to avoid logistical uncertainties.

VAT

The EU's current VAT regime allows businesses within EU member countries to immediately reclaim the charge on goods bought from other EU member countries. In a no-deal scenario, the UK will be outside of the EU's VAT regime.

- Businesses may be required to pay the VAT on goods imported from the UK at the point of entry while waiting up to two months to reclaim the money, which poses a definite risk to businesses' cash flow, particularly for SMEs.
- Business should begin to reevaluate budget plans and to account for potential increased costs when trading with the UK. For more advice, please consult your accountant.

Cash Flow and Currency

Cash flow management has become a key concern for businesses running up to the UK departure from the EU.

- Businesses should begin to introduce strategies to ensure continued ability to make payments, follow up with UK based creditors and debtors and agree on priorities and consider the location of bank accounts and forecast anticipated receipts and payments, including tariffs.
- While the UK does not use the single European currency, business should become aware of the exposure to the Sterling currency and mismatches between assets and liabilities, as well as

whether currency clauses need to be inserted. A no deal Brexit is likely to result in an increase in volatility of the Sterling / Euro exchange rate and you should ensure strategies to mitigate any additional exposures are considered. [Enterprise Ireland's Brexit Unit](#) has identified key business questions about the financial implications of currency fluctuations on business.

Chemicals/Machinery and Product Regulatory Issues

It is critical for Irish companies to know which of the products they use (transportable pressure equipment, pressure equipment, gas appliances, ATEX equipment, machinery, PPE, lifts and chemicals) have supply chain links to the UK, including the sourcing of such products via distributors. In a no-deal the UK will become a 'third country' and the following will be a concern for Irish business:

- Unless Irish companies can source products from another EU supplier, they may become EU importers after Brexit, with legal responsibility for the compliance of the product with EU law.
- Where companies use notified bodies based in the UK to undertake any third party conformity assessments which are required under relevant EU law they will not be able to rely on these post-Brexit. They will need to source a notified body legally designated to carry out conformity assessments in the EU.
- The [HSA](#) is there to support businesses. Contact them at 1890 289 389 or emailing at; o Chemicals: chemicals@hsa.ie Other products: wcu@hsa.ie Accreditation: inab@inab.ie

Data

Rules governing the use of data flows to and from the UK and the EU under the [General Data Protection Regulation](#) (GDPR) will be subject to change in the event of a no-deal. While data transfers from businesses operating within the UK to businesses operating within the EU should not be impacted by a 'no-deal' Brexit, businesses operating in Ireland or the EU may be forced to review existing and new contracts to facilitate future data transfers to the UK.

- Business should map any personal data being transferred to the UK from their organisation. Organisations should update the company/group Privacy Notice and other relevant documentation.
- For further information, please visit the [Irish Data Protection Commission's dedicated page](#) on data transfers in the event of a no-dea Brexit.

Free Movement of People

Under a no-deal Brexit, UK citizens will become 'third country' nationals under EU law. Ireland, outside of EU agreements, has a Common Travel Area and associated rights secured with the UK. This gives Irish nationals the right to continue to enter and work in the UK, and vice versa, without restriction. However, this agreement does not apply to the other 26 Member States.

- In a no-deal Brexit free movement of UK citizens to the EU and vice versa will cease to exist. If your company has staff members who are EU citizens (but not Irish or UK citizens) and they are working in NI or the rest of the UK, they will be required to make formal applications under the "[Settlement Scheme](#)" by 31 December 2020. This scheme is now open. It is vital that businesses begin to identify employees who are potentially exposed.
- The Department of Foreign Affairs has published [information about migration post-Brexit](#) on their website to help Irish business navigate migration issues that may arise.