

EU Exit Bulletin

29 October 2020



Free webinars discussing legal changes from 1 January

The Ministry of Justice, Law Society and Bar Council are holding a series of free webinars.

29 October 2020, 17:00 - 18:00 Preparing for the End of Transition: Substantive law issues. [Register here to attend this online seminar](#), covering substantive law issues around the end of the UK's transition from the EU including future civil justice cooperation and data adequacy and GDPR.

11 November 2020, 10:00 - 11:00 End of transition and intellectual property. [Register here to attend this webinar](#), exploring how in future UK businesses and lawyers can both protect and enforce their Intellectual Property rights across Europe.

Automotive industry highlights cost of no deal

The [SMMT estimates](#) that a 10% World Trade Organisation (WTO) tariff would increase the cost of UK-made electric cars exported to the EU by an average £2,000 per vehicle. In September, production of the latest battery electric vehicles (BEVs) grew 37.0% year-on-year, with the overwhelming majority (76.6%) exported, many of these into the EU.

Last week, [the BVRLA wrote](#) to policymakers urging them to get a free trade deal done, stating that failure to do so would be disastrous for the fleet industry, estimating that tariffs imposed on new car and van imports from the EU would add £2.1 billion to the fleet sector's annual new car costs. Tariffs would also risk hindering a green recovery with fleets needing to spend an extra £2.8 billion on battery electric cars over the next five years.

Preparing businesses who move goods between GB and EU

HMRC has [written to VAT-registered businesses](#) highlighting actions that they need to take to prepare for new processes for moving goods between Great Britain and the EU from 1 January 2021.

They explain what businesses need to do to prepare for new processes, including:

- making sure they have a UK Economic Operator Registration and Identification (EORI) number
- deciding how they will make customs declarations
- checking if their imported goods are eligible for staged import controls

These actions will not change regardless of the outcome of the Government's negotiations with the EU. The updated [Border Operating Model](#) provides further detail on how the GB-EU border will work and the actions that traders, hauliers and passengers need to take.

Rules relating to online activities in European Economic Area countries

Guidance has been published on the [eCommerce Directive after the transition period](#), as rules relating to online activities in [EEA countries](#) may newly apply to UK online service providers who operate in those countries from 1 January 2021.

The eCommerce Directive currently allows EEA online service providers to operate in any EEA country, while only following relevant rules in the country in which they are established. This framework will no longer apply to UK providers as the UK will have left the EEA. Firms are being advised to prepare for these changes now.

The Northern Ireland Protocol and the movement of goods

New guidance has been published on [moving excise goods as freight](#) under the Northern Ireland Protocol in addition to guidance on [Accounting for VAT on goods](#) moving between Great Britain and Northern Ireland from 1 January 2021.

For those who move goods from Great Britain to Northern Ireland, or vice versa, the [Trader Support Service](#) is also available to provide guidance and support relating to the Northern Ireland Protocol.

Guidance updated for international road haulage

[Guidance on carrying out international road haulage](#) has been updated explaining what UK goods vehicle operators need to do to ensure that they are adhering to the rules when carrying out international road haulage as of 1 January 2021.

The guidance provides advice on what documentation is needed, including VE103 certificates when taking rented or lease vehicles abroad.

Applications open for ECMT permits on 2 November

The Government has updated its [guidance on International road haulage permits: ECMT permits 2021](#) explaining the criteria for allocating ECMT permits and confirming what hauliers need to do as new rules will be in place from 1 January 2021 for those who carry goods to, from or through the EU.

Hauliers will be able to apply for a permit from 2 November via a digital application system and are advised to read the [information on Gov.uk](#) explaining what ECMT permits are for as well as the updated guidance.

The UK's trade relationship with Japan

The [UK-Japan Comprehensive Economic Partnership Agreement](#) (CEPA) was signed on 23 October.

The Government has published a [parliamentary report](#) containing an overview of the agreement, economic analysis of trade between the UK and Japan and an explanation of any changes or significant differences between the UK-Japan trade agreement and the EU-Japan trade agreement. An [impact assessment](#) has also been published to provide information on the potential economic impacts of the agreement.

Existing UK trade agreements with non-EU countries

The Government has updated its guidance on [Existing UK trade agreements with non-EU countries](#) to reflect the signing of the UK-Japan Agreement.

The guidance includes information on the trade agreements the UK has already signed and our discussions with countries the EU has a trade agreement with. The UK is seeking to reproduce the effects of existing EU agreements for when they no longer apply to the UK after 31 December 2020.

If we do not reproduce the effects of an existing EU agreement, trade with other World Trade Organization (WTO) members will take place on [WTO terms](#) from 1 January 2021.