



CAMERA DI COMMERCIO E INDUSTRIA
ITALIANA PER IL REGNO UNITO

ITALIAN CHAMBER OF COMMERCE
AND INDUSTRY FOR THE UK

THE FUTURE OF TRADE RELATIONS BETWEEN UK AND ITALY

ONLINE CONFERENCE
8th September 2020



This document is solely for the use of the intended recipients and must not be used for any purpose other than as a source of information. It is intended to give a general understanding of legal themes, and not to provide specific legal advice. This information is not a complete guide and is intended as a preliminary guide only. Proper tax & legal advice should be sought before proceeding further. This information has been prepared by the Italian Chamber of Commerce in order to give an insight into the topic of discussion.



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BE BREXIT READY

At this crucial time, it is important for businesses to start taking action in order to **be ready** for the new rules that will come into effect from 1 January 2021.

As a **Chamber of Commerce**, we are actively working in improving our services to Members, strengthening our international relations and remaining as much updated as possible.



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KEY STEPS YOU CAN TAKE NOW

Visit [gov.uk/transition](https://www.gov.uk/transition)

The UK has left the EU, and the transition period after Brexit comes to an end this year

Check the new rules from January 2021 and take action now



Review your supply chain

If you are a buyer or seller, it is important to understand how logistical and financial changes for businesses across your supply chain will affect you



Review your staff and hiring needs

Ensure you are ready for the UK's new immigration system and new requirements for travelling to EEA countries



Review your contracts to check for any terms that refer to the EU

Rely on EU regulation or might need to be reviewed in light of the UK's exit from the EU



INTERNATIONAL TRADE

As of 1 January 2021, EU businesses that currently buy goods from the UK and place them on the EU market will become **importers** while those that currently distribute products to the United Kingdom will become **exporters**. This means that they **will need to comply with a new set of obligations** according to the applicable Union rules.

PAPERWORK

If you do not have a UK EORI number, you should apply for one.

The right paperwork will be essential for importing and exporting goods **from 1 January 2021**. Businesses should familiarise themselves with **Incoterms** (international commercial terms).

This is important for ensuring the right contract terms are set between importers and exporters, and to clarify responsibilities, risks and costs.

Check [International Chambers of Commerce guidance](#) for more information.



IMPORTING



From 1 January 2021, there will be **standard rules** for bringing goods into the UK from EU and non-EU countries.



Businesses will need to **declare imports to customs** and **pay VAT and duty** as appropriate.



Businesses that import goods regularly may benefit from a **duty deferment account**. This allows for a **single monthly payment** to be made through **Direct Debit**, instead of paying for individual consignments.

EXPORTING



Certificates of origin may be required for exported goods. Suppliers should consider whether customers need **proof of where content is sourced**, and businesses buying from suppliers should also **review where materials are sourced**.



We can help to introduce you to service providers that are able to **assist on issuing export documents** in the UK, providing a range of **international business paperwork**, including certificates of origin.

LOGISTIC & TRANSPORTS

New border customs checks could cause delays

In the absence of a Free Trade Agreement, UK duty rates are set at the **full MFN** (the **WTOs Most favoured Nation terms**).

The UK Government has put together **useful information** and a **list of the tariff** rates that would apply under the **UK Global Tariff**. Please visit the below website for further details.

<https://www.gov.uk/prepare-to-import-to-great-britain-from-january-2021>



BUT if there is a deal at the very last minute, these tariffs probably won't apply.



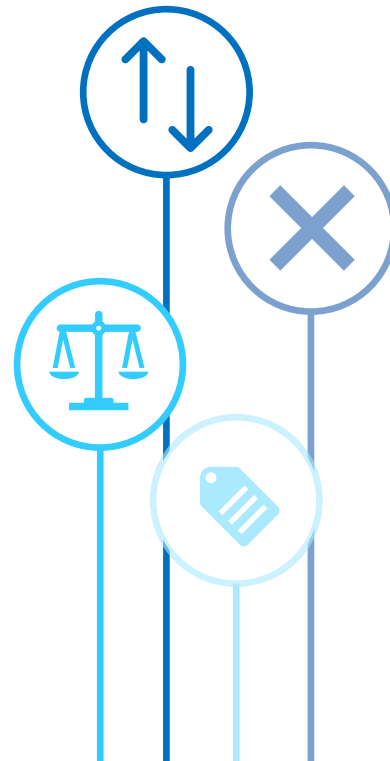
CUSTOMS AND DOCUMENTATION

CUSTOMS FORMALITIES

CHECKS AND CONTROLS ON GOODS

As of 1 January 2021, customs rules required under EU law will apply to all goods entering the customs territory of the EU from the United Kingdom, or leaving that customs territory to the United Kingdom.

Even if an ambitious free trade area is established, providing for zero tariffs and zero quotas on goods, and with customs and regulatory cooperation, **all products traded between the EU and the UK will be subject to any applicable regulatory compliance checks and controls on imports for safety, health and other public policy purposes.**



MARKETING AUTHORISATIONS

As of 1 January 2021, **marketing authorisations issued by UK authorities will no longer be valid for placing products on the Union market.** This means, for instance, that a car with a type approval issued by the United Kingdom can no longer be sold in the Single Market.

Where EU law requires certification by an EU notified body – such as for some medical devices, machinery or construction products – products certified by UK-based bodies will no longer be allowed to be sold within the Single Market. **Similarly, markings or labelling of goods placed on the Union market, which refer to bodies or persons established in the United Kingdom, will no longer comply with Union labelling requirements.**

FINANCIAL SERVICES

As of 1 January 2021, **authorisations to provide services from the United Kingdom across the EU will stop applying.**

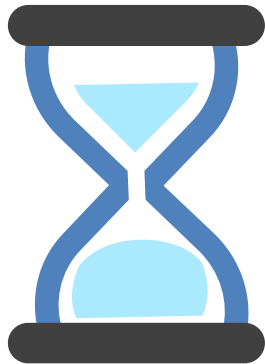
The provision of financial services from the United Kingdom to the EU will be possible **subject to the relevant third country rules** of the Member State concerned.



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ACCOUNTING, AUDITING AND TAXATION



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It is important to be aware of changes to the UK's reporting regime from 1 January 2021.

Businesses should check whether it will be necessary to make changes to how accounting and reporting is undertaken to avoid potential breaches of reporting requirements in EEA countries.

Payments of interest, royalties and dividends between UK and EU businesses could change.

The default position will be to rely on double taxation treaties (DTTs) between the UK and individual member states. Businesses may need to secure clearances to apply the treaty rates.

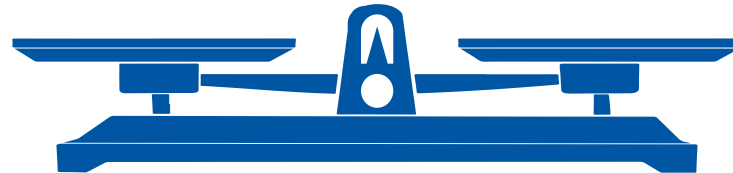
Businesses that wish to hold trading stock in an EU country **must register for VAT in that country.** You may also be required to appoint a Fiscal Representative who is jointly liable for any VAT owed.



CONTRACTS – JURISDICTION CLAUSES

As of 1 January 2021, **Union rules facilitating the cross-border recognition and enforcement of judgements in the EU and in the United Kingdom during the transition period will no longer apply.**

Judgments handed down by a UK court might no longer be swiftly enforceable in the European Union compared to today's situation.



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DATA PROTECTION

While rules governing data protection from 1 January 2021 are not yet set, it is critical for businesses that process the personal data of stakeholders, customers, and any other contacts, to be prepared for changes.

To understand how you can best prepare, please check the Information Commissioner's Office (ICO) guidance below:

- [Small businesses](#)
- [UK businesses sending data to, or receiving data from Europe](#)
- [UK businesses with EEA presence or customers](#)
- [Frequently asked questions](#)



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EMPLOYING STAFF

It is advisable to start considering your skills and hiring needs and preparing for the steps you will need to take to hire people from outside the UK if necessary.

A new **UK immigration system** will be introduced from 1 January 2021. All EU and non-EU citizens who wish to work in the **UK from this date** will need to apply under the new points-based system.

If you currently employ an EU, EEA or Swiss citizen, they must apply before 30 June 2021 for settled status in order to continue living in the UK.

[APPLICATION DETAILS ARE AVAILABLE HERE](#)

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The
**BREXIT
FORUMS**
SECOND EDITION

**The future of trade relations
between UK and Italy**

webinar | 8 Sept. 2020
10:00am BST - 11:00 CET

 ITALIAN CHAMBER OF COMMERCE
AND INDUSTRY FOR THE UK
London, Manchester, Edinburgh & Glasgow

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