



Department for
Business, Energy
& Industrial Strategy

EU Exit Business Readiness Forum: Regulations & Standards

Thursday 14th March 2019

These slides reflect government policy as of 14.03.19



Department for
Business, Energy
& Industrial Strategy

Objectives for these forums



Share the key information businesses need to prepare for Exit



Provide you with materials to cascade to your network of members



Respond to your questions and gather your feedback

Business Readiness Forums: Programme to end-March

February: Cover all key policy themes

7 Feb



Importing & Exporting



Regulations & Standards - Good

14 Feb



Digital & Data



Organisational Compliance

21 Feb



Workforce & People



Intellectual Property

28 Feb



EU/UK Funding



Public Procurement

March: Share new content released

7 March



Workforce & People

14 March



Regulations & Standards



Importing & Exporting

Focus for today

21 March



Digital & Data

28 March

Topics TBC based on key announcements and emerging business needs

Agenda subject to change based on key announcements

Agenda

1	Welcome & Introductions	Donna Leong, BEIS	5 mins
2	Update on parliamentary developments	James Dowler, DExEU	15 mins
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4	Goods traded under the 'new approach'	Danny Langley, BEIS	15 mins
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7	Q&A	All panellists	20 mins



In a 'No Deal' the UK would implement temporary tariffs



Applies for up to 12 months while full consultation and review on permanent approach is undertaken



Aims to minimise costs to business, mitigate price impacts on consumers and support UK producers



Under the temporary tariff regime the majority of UK imports would be tariff free



Importers of goods into the UK will no longer be able to rely on EU Tariff information



Tariffs will apply to some sectors



Some agricultural sectors incl. beef, sheep meat, chicken and other poultry, pig meat, milled rice, butter and some cheese products



Sectors where tariffs help provide support for UK producers against unfair global trading practices e.g. certain ceramics, fertiliser and refinery products.



A set of goods, including textiles, some fish and some fruits, where preferential access to the UK market is important for developing countries



A number of finished vehicles would retain their tariff due to the importance of the sector and broader challenging market conditions

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Background to Goods Regulation



‘Old Approach’: goods such as cars, medicines, chemicals and aerospace, with standalone models of regulation



‘New Approach’: a common toolkit of regulatory measures covering goods such as toys and machinery



‘Non-harmonised goods’: subject to national rather than EU-wide product rules

New Approach Goods - Agenda

- Conformity assessment and marking
- Authorised Representatives
- Definition of products placed on the market
- Importing and distributing

European Commission and UK positions



UK will be treated as a third country for regulatory purposes from exit day



UK compliance activity against EU regulations will no longer be recognised



UK will adopt a time-limited continuity approach to minimise disruption



Almost all products meeting EU regulations can still circulate in the UK

Selling into the UK: UK marking and approved bodies



New approach goods meeting EU regulations can still be sold in the UK with a CE marking



UK will directly recognise conformity assessment carried out by EU notified bodies



A new UK database will replace the EU's NANDO database.



Products assessed against UK rules by a UK 'approved body' will need the UKCA marking



We will consult with businesses before making any changes to these arrangements

Selling into the EU: CE marking and notified bodies



Conformity assessments by UK notified bodies will no longer be recognised in the EU



Goods assessed by a UK body cannot be sold in the EU without reassessment by an EU body



As an alternative, manufacturers can transfer their files to an EU-recognised body pre-exit



CE marking needs to be used for goods sold into the EU. Self-declaration unaffected

Can you put both markings on a product?

CE



Certificates of conformity from UK notified bodies



Products already on EU-27 market by exit can still circulate in EU with UK-issued certificate



Products placed on EU-27 market after exit day will need EU-held certificate



Certificates from UK body still valid in UK after exit day - no need for new certificate



However - UKCA marking would be needed instead of CE marking

Transfer of files to EU notified bodies



EU Commission suggest files and certificates can be transferred to an EU notified body



Transfer must take place by exit day



Goods would need to bear the new four-digit notified body number



Declaration of Conformity and Notified Body certificate will need details of both bodies

Definition of products placed on the market



Placing on the market refers to each individual product, not a type of products.



Placing refers to the first supply of a good for distribution, consumption or use after the manufacturing stage is completed



European Commission: placing does not require the physical delivery of a product



Proof can be a contract of sale, invoice, distribution or shipping documents.

Declarations of conformity



For new approach goods an EU declaration of conformity should be drawn up and available



For UKCA marked products - a UK declaration of conformity will be needed



For CE marked products an EU declaration will still be needed - even for UK market

Authorised Representatives



Businesses can appoint Authorised Representatives to carry out tasks on their behalf -



UK-based Authorised Representatives will no longer be recognised in EU in the event of no deal.



Existing Authorised Representatives in an EU country will continue to be recognised in the UK.



New Authorised Representatives will need to be based in the UK to be recognised under UK law.

Importing and Distributing



An EU-based distributor of UK goods may become an ‘importer’ - and vice-versa



Compared to a distributor, importers have a stronger duty to ensure products are compliant



The importer’s address also often has to be put on the product or its packaging



18 month transitional period during which importers can put information identifying them on an accompanying document

Further advice and guidance on action to take

Source of material in this section

Trading goods regulated under the 'New Approach' if there's no Brexit deal - Available [here](#)

Using the UKCA marking - Available [here](#)

Additional information beyond this presentation

There may be other issues not addressed in this material

In some areas, policy content is still being developed

Please visit **gov.uk/euexit** for the latest information

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Non-harmonised products: How things work today



Some goods subject to national regulations rather than EU-wide rules



In principle can circulate in EU under mutual recognition principle once sold in one part of EU



This includes where different Member States have different national rules



However - this is subject to numerous exceptions and is not a guaranteed right

Non-harmonised products: what is changing



UK would no longer fall
within the scope of the
mutual recognition
principle



UK no longer within scope of mutual recognition



UK no longer within scope of mutual recognition for non-harmonised goods



If you import those goods to UK - check they meet UK national requirements



If you export goods to EU - check they meet national requirements of first EU country exported to



Once your goods have been sold in one EU country you **may** then be able to make use of the mutual recognition principle

Case Study - Hallmarking

- ❖ The UK is a member of the International Hallmarking Convention - we recognise other convention marks.
- ❖ Requirements set out in the Hallmarking Act 1973.
- ❖ Mutual recognition principle applies - where equivalence is recognised.
- ❖ In a no deal scenario, the UK will continue to recognise EEA 'approved hallmarks' only where struck before Exit Day.
- ❖ Those to be struck after Exit Day for the UK market need a UK assay stamp or other hallmarks recognised by the international convention.

Further advice and guidance on action to take

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Department
for Environment
Food & Rural Affairs

REACH: Information for businesses preparing for a 'No Deal' exit

Alun Williams

EU Exit Chemicals and Pesticides, DEFRA

March 2019



Department
for Environment
Food & Rural Affairs



Department for
Business, Energy
& Industrial Strategy

We are planning for all EU Exit scenarios



UK leaves the EU end March 2019 with ‘no deal’



If there is UK/EU agreement on the Withdrawal Agreement, the UK leaves the EU end March 2019 and enters an implementation period (to Dec 2020)



At the end of the implementation period (Jan 2021) either:

- Successful negotiated outcome on a Future Economic Partnership with EU
- UK leaves the EU with ‘no deal’

UK proposals for the future economic partnership reflect industry priorities



The UK would be an active participant in ECHA, albeit without voting rights, which would involve making an appropriate financial contribution



UK businesses would continue to register chemical substances directly with ECHA, rather than working through an EEA-based representative



The proposal for a ‘common rule book’ would include all chemical regulations where ECHA has a role, including REACH, CLP and Biocides



The aim is to minimise regulatory burdens

An Implementation Period would allow time to negotiate the future economic partnership



No change for UK / EU business



EU legislation continues to apply in the UK subject to the terms set out in the Withdrawal Agreement



UK would no longer able to act as a “lead authority” in regulatory regimes



Limited UK Government participation in EU institutions, agencies and bodies



No vote for UK in decision making

'No Deal' contingency planning work is underway



Will ensure UK legislation replaces EU legislation



Bring REACH into UK law, while making technical changes that would need to be made because the UK has left the EU



Establish a UK regulatory framework and build domestic capacity to deliver the functions currently performed by ECHA



In this scenario we would work with the consent of the devolved administrations in areas of devolved competence

Aim to minimise disruption & prioritise stability



New UK regulatory systems will mirror existing EU systems as far as possible in order to minimise costs to industry



Disruption to integrated supply chains for chemicals minimised



The UK continues to monitor and evaluate chemicals in the UK to reduce the risk posed to human health and the environment



Existing standards of protection of human health and the environment would be maintained

In the event of 'No Deal' four key changes will occur



Existing EEA
registrations



Existing UK
registrations



New registrations
in EEA and UK



Authorisations
in EEA and UK



Maintaining access to the EEA market



UK REACH registration holders will need to transfer their registrations to an EEA-based organisation (such as an affiliate, an importer or an Only Representative)



The ECHA website has recently updated its guidance on how to “stay on the EU market after the UK’s withdrawal”



Maintaining UK market access: Existing registrations



UK Government will grandfather existing UK EU REACH registrations into UK REACH



Registrations & authorisations in place on exit day would continue to be valid for UK trade



This applies to all registrations that were valid up to two years before Exit



Existing UK registrations: Business steps required



Open an account and provide some basic information on their existing registration on the new UK REACH IT system in the first **120 days** of the UK leaving the EU



Supporting data packages (identical to those for supplied to ECHA) would need to be submitted within **two years** of the UK leaving the EU



Maintaining UK market access: Importing REACH registered substances from the EEA



New requirements on UK based importers importing REACH registered chemicals from EEA



This would apply to those companies who don't currently hold a REACH registration



Importing REACH registered substances from the EEA: Business steps required



Notify the UK authority and provide some basic data in the first 180 days after EU exit,



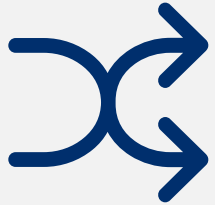
Undertake a full registration within two years of the UK leaving the EU



Alternatively, encourage your EU/EEA supplier to appoint a UK-based OR to ensure UK REACH compliance



Registration of new chemicals for EEA and UK



Applications for authorisations would need to be submitted to the UK Regulator as well as ECHA



EEA registration: UK companies must register with ECHA via an EEA based customer or Only Representative



UK registration: UK companies must set up an account on UK REACH IT and register the new chemical



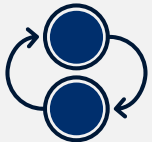
Registration requirements will be as close to ECHA's current system as possible to reduce burden on industry



UK REACH IT system



A new IT system is being built so that it is ready to support registrations of chemicals in the UK from March 2019



The new system will replicate key functions of the EU REACH IT system to provide continuity for UK business



REACH IT is being built in a phased approach, prioritising all essential functions for industry users, such as those relating to the registration of new substances for Day 1



UK REACH will require exactly the same IUCLID dossier as ECHA, so industry would send the same information to both agencies for new registrations



Authorisations and Restrictions: Authorisation holders



Existing EU authorisations held by UK manufacturers, importers and ORs will be grandfathered into the UK. Authorisation holders will need to provide data to the UK Agency



UK companies that have submitted authorisation applications to ECHA, and ECHA have not yet submitted an opinion to the EU, would need to resubmit their dossier to the UK Agency



Applicants awaiting EU decision following ECHA's (RAC/SEAC) opinion must notify the UK Agency of the application, provide copies & info leading to ECHA's formation of its opinion



Authorisations and Restrictions: Importers



"Upstream" authorisations held by an EU-27 company upon which UK downstream users are dependent will not be grandfathered into UK REACH



To continue to benefit, the UK downstream user would be required to notify the UK Agency:

- They are an existing authorised downstream user under EU law in relation to the substance
- The existing EU authorisation, any conditions set out and the identity of the supplier



All existing EU REACH Restrictions will continue to stand in UK REACH

Chemicals: Next steps



Identify the chemicals that you manufacture, sell or use and your regulatory responsibilities with respect to that chemical



Understand the action you need to take by referring to the guidance provided on: www.hse.gov.uk/EUExitREACH



Prepare your information, for example to register a chemical



Check contingency plans across supply chains to see what information to give to your UK agencies, logistics providers, suppliers and customers



If you have any further queries contact: REACH-IT@defra.gov.uk

UK Government has a joint EU Exit chemicals regulation programme

The joint Defra/HSE/EA programme covers all chemicals regimes:

- REACH
- PPP (Pesticides)
- CLP
- BPR
- PIC
- POPs
- Mercury (Minamata)
- Detergents

We work closely across all Government Departments

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If you have questions about the EU Exit Business Readiness forum, please contact sed@beis.gov.uk