



Department for
Business, Energy
& Industrial Strategy

Electrical Distributors Association

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Department for Business, Energy and Industrial Strategy

September 2019



Department for
Business, Energy
& Industrial Strategy

Secretary of State - Business, Energy and Industrial Strategy



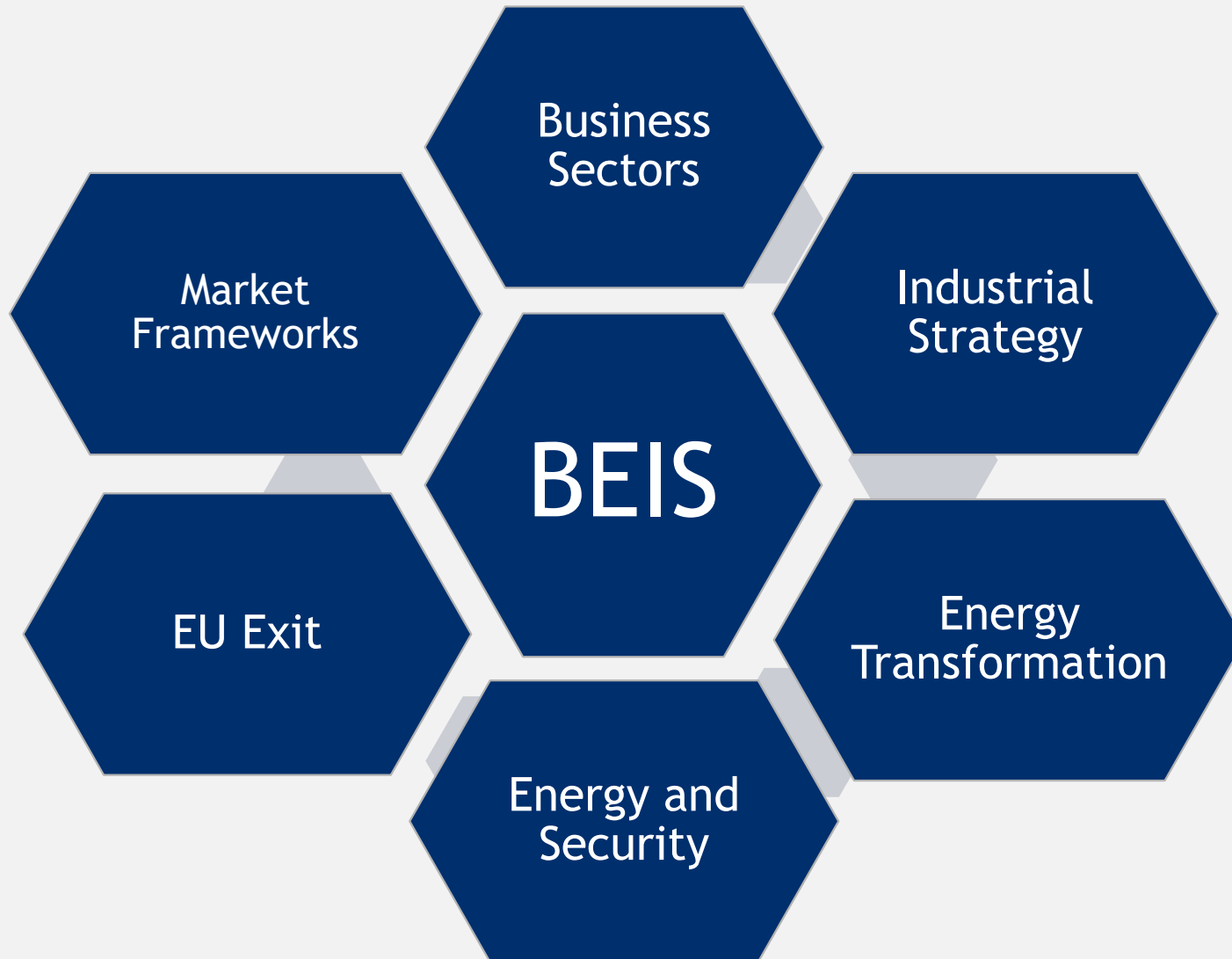
Responsible for:

- Business Policy
- Industrial strategy
- Science, research and innovation
- Energy and clean growth
- Climate change

Priorities

*To deliver Industrial Strategy
Investment opportunities and UK interests post BREXIT
Competitive markets and responsible business
Reliable, low cost and clean energy system*

Department for Business, Energy and Industrial Strategy



BREXIT - Responsibilities

DExEu
Future EU
Relationship

Cabinet Office
No Deal
Coordination

Transport
Shipping/ Haulage
Operations

BEIS
Goods Regulation
Business Readiness

HMRC
Border Declarations
Inspections
VAT and tariff

DEFRA
Farming Regulation
Business Readiness

Home Office
Immigration
Border Controls

International Trade
Tariffs Policy
US Trade Deal

BREXIT Engagement - Electronics & Machinery

- EURIS Panel
- Non-EURIS aligned Trade Bodies
- Electronics and Machinery Sector Panel
- Relationship Managed Companies
- Extensive Company Interviews
- Direct structured interviews



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BREXIT - Where are we?

Government Position:

- Leaving the EU on 31 October.
- Leave with a Deal (FTA)
- EU should reconsider view on **Irish border** - solutions exist.
- Post European Council (17/10) to vote on new deal.
- If not possible to achieve - will leave without a deal
- There will be a deal with the EU - but may be after exit.

Northern Ireland Backstop - Key focus of activity.

Priority - Alternative arrangement for the backstop

Advisory group of technical experts in trade

A business and trade union group

A parliamentary engagement group

1. **Facilitations and simplifications** for businesses
2. **Advanced data-sharing and regulatory cooperation**
3. **Cutting-edge technologies** for border controls.
4. **Transit** - enabling goods movement between countries*

Parliament position

- Parliament voted to trigger Article 50 and passed the EU withdrawal Act.
- **No further legislation** is needed for the UK to leave the EU.
- Parliament has voted to reject the deal brought forward by Theresa May but clearly opposed to leaving without a deal.
- The Hilary Benn MP bill was passed by Parliament.
 - PM has until **19/10 for MPs to pass a new deal** or approve a no-deal.
 - If not must ask for extension to **31 January 2020**.
- Parliament has not given the two-thirds majority the Prime Minister needs to call a General Election.

No Deal - How will it Impact Electrical Distributors?

Depends entirely in your business model - EDA Member survey.

- Delays at the EU Border - Short Straits
- Importers from the EU Zone - import documentation and declarations
- EU Suppliers exporting to you (or UK agent you purchase from) - export documentation and declarations.
- Products being sold into the EU Zone - EU Notified Bodies.
- Changed requirements - incl. Marking- on certain products placed on the UK market.

Delays at the Short Straits

Advice - Ask your suppliers whether they anticipate any delay to provision of product from the EU.

- Planning Assumptions - Short Channel Straits
- Worst case scenario - movements down to 40-60% of current levels within a few days of No DEAL *
- HGVs could face maximum 1-2 day delays.
- Worst Disruption lasting 3 months before some recovery
- Movements normalise within 6-12 months.

Key Risk - Freight arrives at both sides of the border without the correct documentation/Authorisations.

UK Government - Transitional Import Measures

Border Processing

- **Automatic EORI** (Economic Operator Registration).
- **Pre-lodging docs** in advance of Ro-Ro crossing.
- **Transitional Simplified Procedures** - let you delay:
 - submitting a full customs declaration
 - paying any duty
- Waiving need for **Customs Guarantee** on new duty deferment accounts.
- **Temporary Tariff Regime** - almost all goods in this sector zero rated.
- Outwards stacking and line checks.

CE marking and UKCA marking for the UK market



New approach goods meeting EU regulations and CE marked can still be sold in UK for time-limited period.



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



A system of Approved Bodies and a UK database will replace Notified Bodies and the EU NANDO database



Products assessed against UK rules by a UK 'Approved Body' will need the UKCA marking.

CE marking for the EU market



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. This applies to mandatory 3rd party assessment only. Voluntary testing is not impacted.



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



However, most manufacturers of CE marked goods self-declare conformity. This will not be affected.



CE marking needs to be used for goods sold into the EU.

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

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



DoCs may need updating with new Notified Body and/or authorised representative/importer details

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



A UK-based distributor of EU 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 UK importers can put information identifying them on an accompanying document - not mirrored by the EU

Product Labelling -selling or trading goods

Check if the product needs a new product approval

- If a product requires third-party approval, it may need a new one.

Make sure your suppliers understand the actions they need to take

- EU suppliers will be exporting to the UK
- If you distribute EU goods, or,
- Have your goods distributed by someone in the EU, you may acquire new legal duties.

Check if you need a new nominated person or other representative

Consider what marking / labelling changes apply to your product

Detailed Information at [Gov.uk/brexit](https://www.gov.uk/brexit)



HM Government

BREXIT 31 OCTOBER 

Get ready for Brexit



Prepare for Brexit at
[gov.uk/brexit](https://www.gov.uk/brexit)

- Checker tool - direct your business to information most pertinent to your company.
- Advice for Import and Export requirements
- Advice on marking and labelling
- £16m Grant for Businesses undertaking customs declarations.
- Grants available to Trades Bodies.