



Briefly Brexit Newsletter

23 January 2019

NZTE London

Welcome to NZTE's Briefly Brexit, a roundup of Brexit news, any updates on work NZTE is doing, links to any recent guidance from the UK or EU and relevant articles.

NZTE

- NZTE's UK Trade Commissioner will visit New Zealand in mid-February to discuss the effects of a no deal Brexit with NZTE customers. More information on this to come.
- NZTE continues to update its Brexit Preparedness webpage www.nzte.govt.nz/brexit.
- MPI recently updated their Preparing for Brexit [website](#) with information on exporting animals and animal products in the event of a no deal.

NZ

- PM Jacinda Ardern visited London on 20-21 January and met with UK PM Theresa May to discuss trade and our future relationship, reaffirming commitments to launch UK-NZ FTA negotiations when the UK is able to.
- On 21 January, NZ and the UK signed two treaties to roll over existing EU trade related regulatory arrangements with the UK post Brexit. These agreements operate to provide continuity and stability for New Zealand's trade interests in the UK market. While these agreements are a good outcome, they do not fully mitigate Brexit related risks for NZ exporters in the event of a no-deal.
- Next week, a lead commentator on Brexit and British politics will visit New Zealand to talk about Brexit. Richard Whitman, Professor of Politics and International Relations at Kent University, will give two public talks on Brexit and what it means for the UK and NZ, [one in Wellington \(29th Jan\)](#) and the other in [Auckland \(31st Jan\)](#).

UK / EU Updates

- The UK Government has launched a web tool to help businesses to understand what information on Brexit is relevant to them (including the no deal technical notices). The web tool can be found [here](#).

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- If you're interested in what the different options and outcomes for Brexit look like now, independent thinktank The UK in a Changing Europe has created a concise summary of these scenarios (read here – [Brexit Endgame scenarios](#)).

Political Update

If you've been following Brexit you'll know that the past week has been an eventful one in the United Kingdom; a week that has only resulted in more uncertainty and confusion as the UK-EU's future relationship remains unclear.

- 15 January – The ‘Meaningful Vote’ on the Brexit deal failed in the UK Parliament, with a substantial margin of 230 votes.
- 16 January – Following this unprecedented defeat, the government did manage to win the confidence of the House of Commons.
- 21 January – The PM indicated that she will persist with the current deal and seek concessions from the EU on the backstop. This will be voted on again (‘Meaningful Vote 2.0’), likely in mid February.

The likelihood of a no deal outcome, where the UK leaves the EU without an agreed plan, increases with each passing day. This could seriously disrupt trade into the UK and trade between the EU and the UK, including movement of goods carried out by NZ companies.

We continue to recommend that companies review their business operations and identify any areas of potential disruption in the case of a no deal outcome. This may not be as large a task as you think – for many exporters, it’s a case of spending a couple of hours looking at your supply chains, contracts, staffing, and checking in with your partners. The **attached** checklist is a good starting point for no deal preparation.

TOPIC: EORI and AEO

Economic Operator Registration and Identification (EORI) Number

If you are a NZ company that has an established presence in the UK and carry out trade with the EU you should have received a letter ([here](#)) from HMRC outlining the actions you need to take in the event of a no deal Brexit outcome. This includes registering for a UK EORI number at www.gov.uk/hmrc/get-eori.

An EORI number is assigned to importers and exporters by HMRC and is used in the process of customs entry declarations and customs clearance for both import and export shipments travelling to or from the EU and countries outside the EU. If you trade with the EU from the UK and do not already have an EORI number, please visit the UK Govt website to register - it only takes 10 minutes to apply. You will need this number to apply to be authorised for customs simplifications.

AEO Operator

In the event of a no deal outcome, another way to avoid issues or delays between UK and EU trade is if you or a partner in your supply chain has AEO status. Authorised Economic Operator (AEO) status is an internationally recognised quality mark that shows your role in the international supply chain is secure and that your customs controls and procedures are efficient and compliant.

Non-AEOs may be at a competitive disadvantage; they would be required to submit more data and declarations than AEOs and will not be able to take advantage of mutual recognition schemes.

Who can become an AEO?

If you are a NZ company that has a **subsidiary in the EU** that carries out trade with the UK, you should consider whether it might be useful to become an AEO. AEO status can be obtained for businesses that are a legal entity, are established in an EU member state, are actively involved in customs operations and international trade and have an EORI number. Anyone involved in the international supply chain that carries out customs related activities in the EU can apply for

AEO status, regardless of the size of their business, including freight forwarders, customs agents, importers and carriers.

However, the AEO process can be quite time consuming and complex. If you want to know more about becoming an AEO or apply for AEO status, please visit the UK Govt website [here](#) or contact brexit@nzte.govt.nz.

Any questions?

If you have any questions about Brexit or are after any more information, please email NZTE's Brexit address, Brexit@nzte.govt.nz.

Disclaimer: this document is not formal business or legal advice. We recommend you seek independent advice on any matter related to the use of the information. While every effort is made to ensure the accuracy of the information, NZTE is not responsible for any loss or damage arising from the use of the information.