

Brexit and your business

What we know so far

October 2018

Introduction

With the UK set to leave the EU on 29 March 2019, this factsheet sets out what we know so far about Brexit. It also provides an overview of the Brexit process and the UK Government's approach to negotiating a Brexit deal with the EU.

Brexit timeline

Following the vote to leave the EU in June 2016, the UK Government triggered Article 50 on 29 March 2017 and started the two-year negotiation period during which the EU and UK are attempting to reach a Brexit deal. While the UK is set to leave the EU on 29 March 2019, the negotiation period can be extended if all EU member states agree. In addition, the European Parliament can reject any Brexit deal, but cannot stop the UK from choosing to leave the EU on 29 March 2019.



The negotiations

What was agreed in phase one?

Phase one of the Brexit negotiations focused on citizens' rights and the financial settlement the UK must pay to the EU. An agreement in principle on these areas was reached in December 2017.

Nevertheless, as the EU has stressed that 'nothing is agreed until everything is agreed', the second phase of negotiations could see changes made to this agreement.

What is happening in phase two?

Phase of the Brexit negotiations is focused on:

- The financial settlement the UK must pay the EU before its departure.
- The Irish border issue.
- Issues related to the UK's withdrawal from the EU.
- The UK's future relationship with the EU, including security, defence and foreign policy.

The UK Government's Brexit position

The UK Government reached an agreement on its Brexit position in July 2018. The agreement, which is known as the Chequers Plan, sets out the Government's preferred options for the future of the UK's relationship with the EU. The Chequers Plan outlines proposals for the future of trade between the UK and EU, as well as a commitment to end the free movement of people.

The Government has announced or introduced eight bills or pieces of legislation that will implement Brexit. Bills of importance to business include:

- **The Customs Bill**, which will introduce a customs regime after Brexit and will cover the import and export of goods.
- **The Trade Bill**, which will set out the UK's plans for how it will negotiate trade agreements with other countries post-Brexit.
- **The Immigration Bill**, which will implement the UK's approach to immigration, including access to EU workers.
- **The Agriculture Bill**, which will set out the future of agricultural policy post-Brexit.

The Government has agreed that any deal reached between the UK and the EU must be approved by the UK Parliament.

Transition period and leaving the EU

While the UK and EU have set a deadline of 18 October 2018 to finalise the Brexit negotiations and agree a deal, the negotiation period could be extended, subject to approval by all EU member states.

The UK and EU have agreed a transition period which will begin when the UK leaves the EU on 29 March 2019. The transition period, which will end on 31 December 2020, will give the UK Government time to introduce new legislation, as well as give businesses the opportunity to prepare for any changes as a result of Brexit. However, there will be no transition period if the UK leaves the EU without a deal.

Useful resources and further information

Brexit resources from the London Growth Hub

<https://www.growthhub.london/brexitHub/>

The Chequers Plan

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/723460/CHEQUERS_STATEMENT_-_FINAL.PDF

The Department for Exiting the European Union

<https://www.gov.uk/government/organisations/department-for-exiting-the-european-union>



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