

Preparing for a new commercial environment

Key Facts

1

The commercial environment we currently do business in will change

2

New trading terms are being negotiated and will cover all aspects of trade

3

We can already identify many issues that will change for businesses

The best preparation for the changes next year is to understand what it means to do business with EU partners as coming from an outside country, or a “third country”. Many countries are trading with the EU on that basis, and businesses can anticipate which parts of their commercial activities will change next year. For example, importing and exporting goods and services, or tendering for public contracts will become different.

This year, businesses continue to trade as they do now until a UK-EU Free Trade Agreement is in place. Understanding what is at stake for your business is vital to be able to adjust to a new commercial environment.

To do

Step 1

- Think through your supply chain from the source and identify direct or indirect touch points with the EU
- Check what you need to do via the [Government checker tool](#) or [EU Notices to stakeholders](#)

Step 2

- Identify awareness and risk areas for your business (e.g. staff needs, training needs, cash-flow, travel, validity of authorisations/

licences/qualifications outside UK, regulation, standards, export and import documentation, data flows, Intellectual Property Rights, contracts, funding, stock)

- Decide whether you need a presence in the EU, and what kind of presence
- Create an action list, prioritising actions and responsible persons. For example, “check need for (EU) EORI number”, “find out about customs procedures”, “help EU staff to apply for the Settlement Scheme”

Step 3

- Show suppliers, clients and staff that your business is resilient to the changes next year by taking the basic steps needed to maintain trade in 2021 (based on your action list)
- Talk to investors/funders and insurers to ensure financial support and cover is sufficient and remains valid

Step 4

- Carry out a Strengths Weaknesses Opportunities and Threats analysis (SWOT): What are your Unique Selling Points? Where do you need to improve compared to the competition? What opportunities are there in change? Which partners outside the EU could you work with? Which aspects of access to the EU market will change for your business?

The London Growth Hub's business resilience training can help you identify risks and takes you through EU exit planning in more detail.

What's next

A trade deal and various other topics such as fisheries, data protection and financial rules will be decided this year. Progress in the negotiations will be measured mid-June.

For more information on the changes next year:

Visit [London Growth Hub](#) or [sign up](#) for free business resilience training

London Growth Hub
growthhub@london.gov.uk