Tech, Creative, Fashion

Key facts

- 1 Providing services, digital and e-services to EU customers, and importing and exporting goods will be different after the transition period ends
- 2 Assignments in Europe may be affected by local rules and in some cases businesses will need an EU presence
- 3 Current EU Trade Marks and Designs to become UK Trade Marks and Designs

Examples include:

Designers, artists, app and software developers, web designers, e-service providers, ISPs, online sellers, platform providers, content hosts, gaming businesses, e-learning providers, website hosts

How we buy and sell products, services, digital services, e-services, and hire staff from the EU, will change after the transition period ends. Businesses are advised to consider their route to market and look at what it means for their margins when they provide their services, export and import to and from European countries on different terms.

People

- EU nationals currently in the UK can apply for (pre-)settled status under the Settlement Scheme
- After the transition period ends, EU staff that come to the UK to work, will need to apply under the points-based immigration system, and businesses have to sponsor applicants they want to recruit
- UK nationals can travel to the EU with a passport that is valid for at least 6 months and they can stay for a maximum of 90 consecutive days in any 180 day period
- Roaming charges may apply to UK customers using their devices in the EU

Trade

- Import and export of goods will be subject to customs controls and may attract tariffs
- This includes taking items such as samples or equipment temporarily to the EU
- Some products will require licences to take into the EU
- UK services providers will be subject to more local rules in an EU country than now

Regulation

- Employed and self-employed workers
 carrying out projects in Europe may be subject
 to local employment and immigration rules.
 Their professional qualifications may not
 be recognised automatically
- The legal basis for holding, acquiring and monitoring personal data from EU customers may become a problem after the transition period ends

 eu domain names can no longer be registered by UK citizens and businesses

- UK to EU e-commerce will be governed by the rules of the customer's country
- UK digital service providers in the telecoms, broadcasting or cloud-computing sector will need a representative in the EU if offering their digital services to EU customers
- Owning or running a business in the EU will mean different requirements, depending on the sector and country in which the business is operating
- Businesses in the audiovisual media sector may find that their services require licences or registration for content to be seen in Europe
- There will be a difference between new UK and EU rules on hosting content and on copyright
- Rules on labelling, CE marking, product standards, chemicals, testing, cosmetic products, pharmaceutical products and the EU Ecolabel will become different for the EU and the UK markets

Other

- Your existing EU Trade Marks and Designs will be treated as a UK trade marks or designs, while you can keep your EUTMs and Designs
- With regard to VAT, the place of supply of digital services will be where the customer is located and the €10,000 (£8,818) sales threshold, above which you had to register for VAT in the EU, will no longer apply.
 Therefore, digital businesses have to either:

- Organise a VAT presence in one EU country and use the VAT Mini One Stop Shop (VATMOSS) to sell in the rest of the EU;
- Register in all the different countries of their customers;
- Use the Non-Union VATMOSS scheme

To do

People

- Support and encourage current EU staff to apply for (pre-)settled status. Check out the Settlement Scheme Employer Toolkit
- Read about the <u>details of the new points-</u> based immigration system

Trade

- Check what it will mean to <u>provide services</u> in <u>EU countries</u> and which business activities will require compliance with local rules
- Find information about <u>living and working in</u> the EU, local immigration policies and work permits in EU member states
- Find out what <u>exporting goods</u> to EU countries will mean after the transition period ends
- Find out what <u>importing goods</u> from EU countries will mean after the transition period ends
- Apply for an <u>ATA Carnet</u> for temporary export of items
- Make sure you have both the right <u>UK</u> and <u>EU</u> documentation if you trade in exotic skins or feathers etc.

- Read about how <u>selling online</u> will change and how to <u>export a parcel through the post</u>
- Call the UK Export/Import helpline for support: 0300 3301 331

Regulation

- Analyse the direction of data flows (e.g. personal data from EU players in games) and check the EU Readiness Notice on GDPR, the ICO website on complying with GDPR and how to use the contract tool with data suppliers
- Read the EU's general guidance on <u>electronic</u> communications, network security, <u>audiovisual</u> media services
- Anticipate new Government and EU plans on hosting content
- Read the UK guidance on <u>intellectual</u>
 <u>property rights</u> and EU Readiness Notices on
 <u>Copyright</u>, and on <u>Trade Marks and Designs</u>
- Check labelling requirements for <u>footwear</u> and textiles
- Understand changes to your <u>VAT obligations</u> and what it means to trade as a <u>business</u> from a non-EU country with regard to VAT, and read specific guidance on <u>VAT on goods</u>

Go to the <u>Government's checker tool</u> and the <u>EU Readiness Notices</u> for more information on EU exit and your sector.

What's next?

Trade under EU rules will continue as normal until the transition period ends. A new trade agreement will lay down the final conditions for mobility and UK-EU trade in goods and (digital) services. In addition, an adequacy decision on personal data, as well as a Security of Information Agreement will lay down the final conditions for UK-EU data flows.

For more information visit London

Growth Hub, check out other fact sheets
or email growthhub@london.gov.uk

Disclaimer

At the time of writing, the transition period ends on 31 December 2020, and the changes outlined in this fact sheet will occur from 1 January 2021. If that date slips, the changes will still happen, but at a later date. For latest updates go to www.gov.uk/transition

London Growth Hub

growthhub@london.gov.uk







