



## PREPARING FOR A 'NO-DEAL' BREXIT

This is the Guernsey No Deal Brexit Guide for businesses as it was when issued in November 2019. The UK has now officially ceased to be a Member State of the EU. The UK and EU are in the agreed transition period (until 31 December 2020). During the transition period, the relationship between the Bailiwick and EU will continue as if Protocol 3 were still in place (as it was before 31 January 2020).

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## PREPARING FOR A 'NO-DEAL' BREXIT

This document is aimed at providing a quick guide to help businesses based in Guernsey, and those businesses outside of the Bailiwick who trade into the Bailiwick, with their preparations for a potential 'no deal' Brexit.

In recent months the States of Guernsey has reviewed its no deal planning, management processes and contingency plans. The States of Guernsey continues to work with the UK Government Department on all Brexit matters. There is still much uncertainty around Brexit and therefore both the UK Government and the States of Guernsey must plan for every possible outcome including no deal. If the UK leaves the EU without a withdrawal agreement in place, businesses may need to take action.

### The Current Situation

Without any further progress in deal being formally agreed, it is prudent that both the UK Government and the States of Guernsey continue to prepare for all eventualities.

It is important to consider what impact a No Deal Brexit could have on your business **and how this differs** from the impacts that were anticipated in the previous leave dates of March and October 2019. The following information may be helpful to understand how leaving the EU may affect your business and what how you may need to amend any existing contingency plans.

#### 1. **Workforce** - Employing EU Citizens, Free Movement of workforce within the Common Travel Area (CTA)

The Bailiwick of Guernsey forms part of the Common Travel Area ('CTA'), along with Jersey, the Isle of Man, the UK and Ireland and allows for a simplified process enabling citizens within the CTA to move as freely as possible. The UK Government and the EU, which includes Ireland as a Member state, have an agreed commitment to protect the CTA in a no-deal Brexit.

The rights of EU/EEA/Swiss citizens and their family members, resident in the Bailiwick of Guernsey will change when the UK leaves the EU.

The UK and the EU have agreed that affected citizens' rights will continue until 31 December 2020. As a result, if those citizens want to stay in the Bailiwick of Guernsey beyond that date, they will need to apply under the EU/EEA/Swiss Settlement Scheme. This will allow those citizens and their family members to continue to live and work in the Bailiwick of Guernsey and will allow the continuation of their rights to healthcare, work arrangements and public services.

Bailiwick of Guernsey based businesses which rely on the free movement of their workforce from Guernsey into the EU will need to ensure that members of their workforce are travelling with all current and relevant travel documentation, and whilst it is not anticipated that there will be any

particular issues with entering EU Member State countries, it is not unreasonable to suggest that some border controls, especially those at busy airports and ports, could become congested.

**Guernsey-based businesses are encouraged to support their employees and ensure that, if required, any EU national working within their organisation has registered on our EU Settled Status Scheme (<https://gov.gg/eusettledstatus>)**

**Guernsey-based businesses who rely on moving their workforce in and out of Guernsey should have up to date travel documentation and consider any implications which may occur at the travel route which is being used.**

**Guernsey based businesses are advised to ask employees who are due to travel to use the [Passport Validity Checker](https://www.passport.service.gov.uk/check-a-passport) on the UK Government's website to check that their passport is valid for travel in Europe. (<https://www.passport.service.gov.uk/check-a-passport>)**

**If there is any concern that a passport might not be valid for travel in Europe you can email Guernsey's Passport Office at [passports@gba.gov.gg](mailto:passports@gba.gov.gg) or call **01481 741410** for advice.**

## **2. Goods and Services - Importing, Exporting Goods and Services and Transporting Goods**

It could be the case that congestion is particularly evident on the Dover Strait routes such as the Channel Tunnel and those regular routes used by frequent travellers (both air and sea) where delays may be incurred for UK arrivals (and departures). The knock-on-effect could lead to some travel disruption. Those Guernsey businesses which rely on the movement of goods in and out of the Island, particularly those reliant on supply chains, both originating from the UK and where goods arrive from the EU into the UK before onward shipment to Guernsey (and vice versa) are advised to review their supply chain carefully and consider alternative routes for critical goods if necessary. Analysing the supply chain will ensure that your business has identified what products come from and go to the EU and by which routes. This information will assist in preparing your business for a no-deal Brexit scenario.

It is expected that in a no-deal scenario all goods entering the UK from the EU will be subject to HRMC checks and that a streamlined customs process will be in place to ensure that goods can flow as quickly as possible. It is important to note that the UK will not be dropping any of its border procedures relating to the movement of goods, or people, at UK frontiers, but will be streamlining the border processes to continue to protect the integrity of the UK Customs territory whilst ensuring that goods, particularly those transported in heavy goods vehicle's (HGVs) will continue to flow, albeit at a potentially reduced rate.

In comparison, freight traffic destined to the EU from the UK could be subject to some delay. At the point the UK leaves the EU, UK freight movements will become subject to additional customs declarations and checks as third country goods entering the EU. Therefore it is not unreasonable to suggest that flow rates for freight movements, particularly those moving through the Dover straits could potentially be impacted.

**Guernsey-based businesses are advised to analyse their supply chains to identify where goods may be delayed and to consider alternative routes where possible or to ensure that stock levels of essential goods are maintained to cover the period immediately following Brexit.**

### 3. Disruption and Delays in Services – Essential Supplies

It is not anticipated that there will be an overall shortage of food in the UK or onward to Guernsey but due to the potential for disruption within the supply chains, certain product lines may be limited. This will be particularly relevant for certain types of fresh and short shelf-life foods, as supplies may be subject to border delays.

Therefore it is possible that due to the impact on the logistical chains, certain items may be delayed and therefore in temporary short supply. It is important to note that the disruption of supply on certain food lines may not simply be related to the supply of that particular product line, but could be related to supply issues of other critical ingredients, chemicals or packaging. With the potential increase in demand, price increases may occur.

**Guernsey businesses are advised to analysis, beyond the supply chain, the particular types of goods they are importing or exporting to identify product lines which may be in short supply in the event of disruption. Those businesses that rely on the use of chemicals and packaging are advised to consider maintaining the relevant stock levels over the winter period.**

### 4. Information and Data Sharing – Data Transfer and Data Protection

The Bailiwick of Guernsey is neither part of the United Kingdom or the European Union. For the purposes of personal data protection, the Bailiwick is a third country to the EU. Guernsey has a well-established personal data protection regime, which has been recognised as "adequate" by the European Commission since 21 November 2003. Brexit does not alter this position.

Guernsey has prepared additional legislation in anticipation of the UK's exit from the EU. This additional legislation safeguards the flow of data between the Bailiwick and the UK following Brexit. The Data Protection (Authorised Jurisdiction) (Bailiwick of Guernsey) Ordinance, 2019, designated the UK as an authorised jurisdiction to which personal data can be transferred freely from the Bailiwick after the UK exits the EU. The Ordinance is not sector specific and applies to the transfer of all personal data from the Bailiwick to the UK.

### 5. Summary Information

Guernsey-based businesses are asked to consider the practical implications of a no-deal Brexit in a proportionate and balanced manner. Guernsey has a built-in resilience to minor disruption to the supply chain due to the very nature of being an island economy, particularly in the winter period when inclement weather can cause some minor delays. However, this must not lead to complacency.

It is anticipated that delays to supply chains could manifest in a similar manner where some items which are routinely available in all sectors may not be available or subject to delay for a period of time. The disruption experienced as a result of a No Deal Brexit may be prolonged. It is very much against this background that we are asking businesses to prepare.



The States of Guernsey continues to work very closely with all stakeholders both locally and in the UK to ensure that any disruption is kept to a minimum. However, the States of Guernsey cannot guarantee continued supply and therefore we ask businesses to closely analysis their operations to identify any areas of concern with the aim of mitigating these prior to Brexit.

**Should you have any concerns, need to understand more about the potential impacts of the UK's withdrawal from the EU on your business, require advice or need to discuss the States of Guernsey's current approach to Brexit planning, coordinate media responses, then please feel free to contact [chris.morris@gov.gg](mailto:chris.morris@gov.gg), who will be pleased to arrange a one-to-one meeting with your business, industry group or organisation.**