

Helping you prepare for Brexit

This guide has been designed to help our UK based customers identify and discuss the opportunities and impacts that Brexit may have on your business and how we may be able to help you.

Considerations

Have you seen...

How we may be able to help your business

1 Is your business incorporated in the UK?
Do you have a UK registered address?
Do you pay UK Corporation Tax?

Y

The UK Government has published advice on business structures for cross-border operations in the event of a no deal Brexit that you may find useful. If you're unsure of where your business is incorporated, please check with your Company Secretary, legal adviser or accountant.

<https://www.gov.uk/government/publications/structuring-your-business-if-theres-no-brexit-deal--2/structuring-your-business-if-theres-no-brexit-deal>

Under a no deal Brexit the UK Government has advised that UK businesses may:

Experience increased transit times due to customs checks and port delays



Experience complex customs clearance processes



Need to hold increased inventory to maintain production levels



Experience tax implications



Be subject to additional paperwork and increased costs due to custom duties and tariffs



Undertake supply chain reviews for industries with reliance on just-in-time or short shelf life delivery



Decide to switch from lorries to container shipment to simplify customs



2 Are any of these scenarios a consideration for your business?

Y

The UK Government has prepared a Partnership pack on "Preparing for changes at the UK border after a 'no deal' EU Exit" which provides useful information to prepare for Brexit.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/756508/Partnership_pack_prepare_for_no_deal_changes_at_border.pdf

We may be able to help you with additional funding for working capital and invoice financing and explore if you need any longer term financing such as investment in additional warehousing space or new asset financing should you need to amend your manufacturing processes.



N

3 Do you need advice on how to prepare for a no deal Brexit?

Y

The UK Government has produced a number of papers on "How to prepare if the UK leaves the EU with no deal":

<https://www.gov.uk/government/collections/how-to-prepare-if-the-uk-leaves-the-eu-with-no-deal>

<https://www.gov.uk/government/publications/partnership-pack-preparing-for-a-no-deal-eu-exit/how-to-find-what-you-need-in-this-partnership-pack>

<https://www.gov.uk/search?q=no+deal+brexit>

N

4 Are you considering setting up bank accounts outside the UK, either in the EU or globally?

Y

One of the services that we may be able to help you with is setting up bank accounts in other countries.

We may be able to help you establish new banking relationships through our Partner Bank network, operating in 36 countries across EMEA, APAC and the Americas to help you grow your business.



N

Considerations

1 Does your business currently trade with the EU?

N

2 Are you concerned about weak points in your supply chain and the impact these could have on your working capital situation?

N

3 Are your products perishable?

N

Have you seen...

Make sure that you have obtained your EORI number in advance of the UK leaving the EU and that you have all the relevant paperwork and registration numbers to import and export with the EU.

<https://www.gov.uk/guidance/get-a-uk-eori-number-to-trade-within-the-eu>

Read through the UK Government's guidance on international trade paperwork that you'll need to have in place if importing and exporting with the EU under a no deal

<https://www.gov.uk/government/publications/trading-with-the-eu-if-theres-no-brexite-deal/trading-with-the-eu-if-theres-no-brexite-deal>

A longer supply chain will mean that your cash is tied up in stock or unfinished goods for longer. Have you evaluated your supply chain thoroughly?

- Where and from whom do you source raw materials / sub-assemblies / finished goods?
- Is it just one or two suppliers or multiple, all of which have an interdependency (notably in food production)?
- How difficult would it be for you to replace your strategic supply chain partners if required?
- Are you undertaking short term stockpiling of components that may incur additional storage costs or may lead to your working capital being tied up in goods?
- Are you considering whether you may need to stop production on a short term basis in the event of disruption in your supply chain and what would be the financial consequences in terms of sales, cost of production etc.?

- What steps are you taking to make sure your produce is received/delivered in good time?
- Have you asked your suppliers if they have any plans to cope with potential delays in getting their products to you?
- Are you considering alternative methods of transport to get your produce to market, eg. alternative ports, air freight? Will this affect your working capital?
- Are you considering alternative packaging to enable produce to remain fresh for longer? Will this incur additional costs?
- Have you considered revising your payment terms with suppliers to pay dependent on the condition/temperature of the produce being received in good order?

How we may be able to help your business

We may be able to offer you working capital solutions to help you maintain the supply, demand and flow of trade through a no deal scenario. Examples include Trade Loans to provide additional liquidity, Letters of Credit, and for larger firms, Supply Chain Finance can help in this area. Please visit our Trade Hub for more information



<https://www.business.natwest.com/business/trade-hub.html>

Supply Chain & Trade continued

Considerations

4 If you import from or export to the EU, have you assessed the impact on your business of customs excise and VAT in the event of a no deal?

Have you seen...

For importers, the UK Government has agreed that VAT can be paid on a deferred accounting basis. It's anticipated that duties and tariffs will be due in line with the current World Trade Organization (WTO) levels in the event of a no deal Brexit. The UK Government has published this advice on customs excise and VAT:

<https://www.gov.uk/government/publications/partnership-pack-preparing-for-a-no-deal-eu-exit/changes-to-customs-excise-and-vat-you-need-to-know-about-if-there-is-no-deal>

How we may be able to help your business

Duty Deferment Bonds can be used to defer duty on imports until the finished goods are sold, so that the cash has been collected from sales before the bond is repaid. Please let us know if our Duty Deferment Bond is something of interest to you.



5 Are you concerned about the impact of increased costs on your business?

Do you have any ability to pass on to your end customer any increased costs incurred in areas such as foreign exchange, customs, tariffs, increased transport costs?

6 Do you feel you have an over-reliance on EU sales as part of your revenue?

- Where are your customers based?
- Are you thinking of opening up to non-EU markets to de-risk your revenue stream?
- Are you taking steps to increase short term supply of products to your EU customers so as to avoid interruption to sales? Will this require access to additional working capital?

7 Are you planning to import/export to countries outside of the EU in future?

The Department for International Trade is set up to help UK businesses sell overseas. They have a wide range of services, business connections and trade delegations that you can sign up to participate in.

<https://www.gov.uk/government/organisations/department-for-international-trade/about-our-services#helping-businesses-sell-overseas>

We may be able to help you with a wide range of services to support you with international trade. We work with some of the best local, regional and global banks in over 80 countries around the globe through our Partner Bank programme.



Payments & Foreign Exchange

Considerations

Have you seen...

How we may be able to help your business

As part of our plans for Brexit, we have been planning to deliver all required scheme and membership changes so as to ensure continuity of access to Euro payment schemes for our customers.

1 Do you make or receive payments to/from EU countries?

Y

Post-Brexit our access to Euro payment capability has been secured and making and receiving payments for our customers will remain the same as it is today.

2 Are you concerned about Euro payments costing more money?

Y

The UK Government does not expect customers to be charged extra for payment transactions or for using a card if they are processed in the same manner as they are today.

3 Do you make use of any high value Euro payment schemes from UK Euro Accounts?

Y

Our level of access to Euro payment schemes will remain as it is today as we have made the necessary changes to ensure we remain part of SEPA, TARGET2 and EURO1 schemes.

4 Do you make use of any Single Euro Payments Area (SEPA) schemes?

Y

The application from UK Finance for the continued participation of UK banks in the SEPA schemes was successful. This secures access to SEPA Schemes for UK banks and customers even in the event of a no deal Brexit.

5 Are you concerned about EU card payments?

Y

Card payment systems are globally interoperable and therefore when the UK leaves the European Union, cards issued in the UK will be dealt with in the same way as any other international card. Cardholders across Europe can expect to continue using their debit or credit cards domestically and overseas with the same ease of use as they do today.

6 Is your business subject to foreign exchange rate volatility?

Y

What steps are you taking to manage the growth of your cross-border business?

For companies with an international presence or growth ambitions, NatWest Markets' market-leading FXmicropay service can help to provide your customers with a "local" shopping experience.

FXmicropay could be useful in helping you build your business in new export markets.



Via a simple integration with your website, FXmicropay can enable automatic pricing of your product catalogue into up to 94 currencies. The service helps to price goods and services in your customer's local currency mitigating any foreign exchange risk for your business.

Considerations

1 Do you currently employ any staff who are EU citizens?

N

2 If you're aware that your staff who are EU citizens are planning to leave the UK, have you considered how to fill these gaps?

N

3 Do you employ UK nationals who are currently working in EU or Iceland, Liechtenstein, Norway or Switzerland?

Have you seen...

If you employ staff who are EU citizens, they and their families can apply to the EU Settlement Scheme to continue living in the UK after 30 June 2021. If their application is successful, they'll get either settled or pre-settled status depending upon how long they have lived in the UK.

Some EU citizens may be able to stay in the UK without applying to the EU Settlement Scheme for example, Irish citizens or individuals with indefinite leave to remain (ILR). The UK Government has launched a comprehensive toolkit to support businesses in reassuring and helping EU citizens apply for settled status:

<https://www.gov.uk/government/publications/eu-settlement-scheme-employer-toolkit>

Consider low-cost recruitment techniques such as Staff Referral Schemes, use of social media to advertise vacancies, local job centres, use of apprenticeship schemes.

Consider whether you need to build any critical skills in your team to counteract the risk of your staff who are EU citizens returning home – this could include language skills as well as technical skills.

The UK Government is working through the implications of UK employees working in the EU. When it's available, country-specific information will be added to the "Living in Country" guides for UK nationals moving or living abroad. Please refer to the UK Government website for the latest information:

<https://www.gov.uk/guidance/advice-for-british-nationals-travelling-and-living-in-europe> and for Ireland,

<https://www.gov.uk/government/publications/citizens-rights-uk-and-irish-nationals-in-the-common-travel-area/citizens-rights-uk-and-irish-nationals-in-the-common-travel-area>

If you are, or employ, a UK national living in the EEA or EFTA states (Norway, Iceland, and Liechtenstein), or Switzerland, separate agreements have been reached:

<https://www.gov.uk/government/news/eea-efta-separation-agreement>

<https://www.gov.uk/government/news/swiss-citizens-rights-agreement>

How we may be able to help your business

We may be able to help you with funding to grow your business should you need additional investment in staff training, automation and process changes through our Growth Funding initiative.



RBS Resources

<https://www.rbs.com/brexit>

<https://rbs.contentlive.co.uk>

<https://rbsbusinesshub.com/discover>

[Your Guide to Brexit](#)

UK Government Resources

Please remember to check the UK Government's website for the latest information on Brexit planning:

<https://euexitbusiness.campaign.gov.uk/>

Industry Resources

British Chamber of Commerce

<https://www.britishchambers.org.uk/page/brexit-hub>

<https://www.britishchambers.org.uk/page/brexit/business-brexit-checklist>

CBI

<http://www.cbi.org.uk/insight-and-analysis/making-a-success-of-brexit/>

<http://www.cbi.org.uk/business-issues/brexit-and-eu-negotiations/>

Federation of Small Businesses

<https://www.fsb.org.uk/standing-up-for-you/brexit/introduction>

ICAEW

<https://www.icaew.com/technical/economy/brexit/brexit-checklist>

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Growth Funding

If your business has export or import trade with the European Union, a reliance on the EU labour markets or is exposed to foreign exchange movements you may need further support through the Brexit process. We have funding available to help you achieve your ambitions and can help you access the right financing products so they can meet your short and longer term trade and working capital needs – whatever the outcome of the Brexit process.

Security may be required. Product fees may apply.

For more information please speak to your Relationship Manager or our Business Banking Support Centre on:

UK: 0345 600 2230 (24 hours)

Overseas: +44 118 373 2181

Minicom: 0800 404 6160

Business customers with accounts in England and Wales

UK: 0345 307 0900 (24 hours)

Overseas: +44 131 242 0091

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