



## Brexit 'no-deal' preparedness: Final Commission call to all EU citizens and businesses to prepare for the UK's withdrawal on 31 October 2019

Brussels, 4 September 2019

With 8 weeks to go until the United Kingdom's withdrawal from the European Union on 31 October 2019, the Commission has today – in its [6th Brexit preparedness Communication](#) – reiterated its call on all stakeholders in the EU27 to prepare for a 'no-deal' scenario. In light of the continued uncertainty in the United Kingdom regarding the ratification of the Withdrawal Agreement – as agreed with the UK government in November 2018 – and the overall domestic political situation, a 'no-deal' scenario on 1 November 2019, remains a possible, although undesirable, outcome.

It is in this spirit that the European Commission has today published a [detailed checklist](#) to help those businesses that trade with the UK to make final preparations. In order to minimise disruption to trade, all parties involved in supply chains with the UK – regardless of where they are based – should be aware of their responsibilities and the necessary formalities in cross-border trade. This builds on previous Communications and 100 stakeholder notices, which cover a broad range of sectors.

In addition to this, the Commission has proposed to the European Parliament and the Council to make targeted technical adjustments to the duration of the EU's 'no-deal' contingency measures in the area of transport. The Commission has also proposed to mirror, for the year 2020, the existing 2019 contingency arrangements for the fisheries sector and for the UK's potential participation in the EU budget for 2020. These measures are necessary given the decision to extend the Article 50 period to 31 October 2019.

Finally, the Commission has proposed that the European Solidarity Fund and the European Globalisation Adjustment Fund are available to support businesses, workers and Member States most affected by a 'no-deal' scenario. These proposals need to be agreed by the European Parliament and the Council.

The Commission recalls that it is the responsibility of all stakeholders to prepare for all scenarios. Given that a 'no-deal' scenario remains a possible outcome, the Commission strongly encourages all stakeholders to use the extra time provided by the extension of the Article 50 period to ensure that they have taken all necessary measures to prepare for the UK's withdrawal from the EU.

### Technical adjustment of specific contingency measures to take account of the UK's withdrawal date of 31 October 2019

On 11 April 2019, the European Council (Article 50) extended the Article 50 period to 31 October 2019. This was done at the request of, and in agreement with, the United Kingdom.

In light of this extension, the Commission has screened all the EU's preparedness and contingency measures to ensure that they are still fit for purpose. The Commission has concluded that these measures continue to meet their objectives and therefore there was no need to amend any of them on substance. However, the Commission has today proposed to make some technical adjustments to specific contingency measures in order to take account of the new Article 50 timeline.

These adjustments are in three main areas:

#### 1. Transport

- A Regulation ensuring **basic road freight and road passenger connectivity** (Regulation (EU) 2019/501): The Commission has today proposed to extend this Regulation until 31 July 2020, reflecting the logic and the duration of the original Regulation.
- **Basic air connectivity** (Regulation (EU) 2019/502): the Commission has today proposed to extend this Regulation until 24 October 2020, reflecting the logic and duration of the original Regulation.

#### 2. Fishing activities

- Regulation on **fishing authorisations**: the Commission has today proposed to extend the approach in the adopted contingency Regulation (Regulation (EU) 2019/498) with a similar measure for 2020, providing a framework for EU and UK fishermen to maintain access to each other's waters for 2020.

### 3. The EU Budget

- The Commission has today proposed to extend the approach of the **contingency Budget Regulation for 2019** (Council Regulation (EU, Euratom) 2019/1197) with a similar measure for 2020. This means that the UK and UK beneficiaries would remain eligible to participate in programmes under the EU budget and to receive financing until the end of 2020 if the UK accepts and fulfils the conditions already set out in the 2019 contingency Regulation, pays its budget contributions for 2020 and allows the required audits and controls to take place.

#### **Providing EU financial support to those most affected by a 'no-deal' Brexit**

The Commission announced in its fourth Brexit Preparedness Communication of 10 April 2019 that technical and financial assistance from the EU can be made available in certain areas to support those most affected by a 'no-deal' scenario.

In addition to existing programmes and instruments, the Commission has today:

- Proposed to extend the scope of the **European Solidarity Fund** to cover the serious financial burden that may be inflicted on Member States by a 'no-deal' scenario, subject to certain conditions.
- Proposed to ensure that the **European Globalisation Adjustment Fund** is available to support workers and self-employed persons who are made redundant as a result of a 'no-deal' scenario, subject to certain conditions.

In the agriculture sector, the full spectrum of existing instruments for market support and direct financial support to farmers will be made available to mitigate the worst impact on agri-food markets. For more immediate support, for example for smaller companies with large exposure to the United Kingdom, the EU's State aid rules offer flexible solutions for national support measures.

#### **Ireland**

The Commission and Ireland continue working together, in the context of the unique situation on the island of Ireland and their twin objectives of protecting the integrity of the internal market while avoiding a hard border, to identify arrangements both for contingency solutions for the immediate aftermath of a withdrawal without an agreement and for a more stable solution for the period thereafter. The backstop provided for by the Withdrawal Agreement is the only solution identified that safeguards the Good Friday Agreement, ensures compliance with international law obligations and preserves the integrity of the internal market.

#### **Preparing for a 'no-deal' scenario**

In a 'no-deal' scenario, the UK will become a third country without any transitional arrangements. All EU primary and secondary law will cease to apply to the UK from that moment onwards. There will be no transition period, as provided for in the Withdrawal Agreement. This will obviously cause significant disruption for citizens and businesses and would have a serious negative economic impact, which would be proportionally much greater in the United Kingdom than in the EU27 Member States.

Since December 2017, the European Commission has been preparing for a 'no-deal' scenario. To date, the Commission has tabled 19 legislative proposals, all of which have now been adopted by the European Parliament and Council. The Commission has also adopted 63 non-legislative acts and published 100 preparedness notices. The Commission does not plan any new measures ahead of the new withdrawal date.

[As outlined by President Juncker](#) in the European Parliament on 3 April 2019, should a 'no-deal' scenario occur, the UK would be expected to **address three main separation issues** as a precondition before the EU would consider embarking on discussions about the future relationship. These are: (1) protecting and upholding the rights of citizens who have used their right to free movement before Brexit, (2) honouring the financial obligations the UK has made as a Member State and (3) preserving the letter and spirit of the Good Friday Agreement and peace on the island of Ireland, as well as the integrity of the internal market.

Every single business that trades with the UK, both in goods and services, will be affected by a 'no-deal' scenario. The Commission has today published a **"Brexit preparedness checklist"**, which all relevant businesses should examine carefully. Businesses should now be ready to fulfil all the required formalities.

Today's Communication provides an overview of preparedness work in those areas where continued and particular vigilance is needed. They include citizens' rights, border formalities and trade, medicinal products, medical devices and chemical substances, financial services and fisheries.

#### **For more information: what should I do in a 'no-deal' scenario?**

For the period immediately after a withdrawal without an agreement, the Commission has set up a call

centre for Member State administrations, giving them rapid access to the expertise of the Commission services by establishing a direct channel of communication, also for the purposes of facilitating the necessary coordination between national authorities. To know more about how to prepare for a 'no-deal' scenario, EU citizens can contact [Europe Direct](#) for any questions. Call Freephone **00 800 6 7 8 9 10 11** from anywhere in the EU, in any official EU language.

#### **Further useful links:**

##### ***EU citizens***

- [Today's Communication](#)
- [Checklist for businesses](#)
- [European Commission preparedness website](#)
- [Overview of residence rights in each EU27 Member States](#)
- [Member States national 'no-deal' websites](#)
- [Notice on Travelling](#)
- [Factsheets on travelling, citizens' rights, studying, and consumer rights](#)
- [Q&A on Erasmus](#)
- [Q&A on a 'no-deal' scenario](#)
- [Information for EU citizens living in the UK](#)

##### ***EU businesses***

- [A range of materials](#) on customs and indirect taxation (including [a simple 5-step checklist](#)) for businesses
- [Information related to Agriculture](#)
- [Seven Things Businesses in the EU27 need to know in order to prepare for Brexit](#)

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#### Related documents

[Brexit Timeline.pdf](#)

#### Related media

[Flag of each of the 28 EU Member States, alongside the European flag](#)