

MENZIES DISTRIBUTION

BREXIT FAQs



BREXIT BASICS

What is Brexit?

Brexit or 'British exit' refers to the United Kingdom (UK) leaving the European Union (EU). A public vote, or referendum, was held on Thursday 23rd June 2016 to decide whether the UK should leave or remain. Leave won by 52% to 48%. The referendum turnout was very high at 72%, with more than 30 million people voting. 17.4 million people voted for Brexit.

What will happen on the 31st January at 23:00

The UK is due to leave the EU at 23:00 GMT on Friday, 31 January, under the terms of an exit deal negotiated by Prime Minister Boris Johnson. But the UK Parliament must first approve legislation required to implement the deal - the Withdrawal Agreement Bill, or Brexit bill as it's more commonly known. The European Parliament also has to give the green light before the agreement can be fully ratified on the EU side. However, this would only mark the next step in the Brexit process. Following its departure, the UK will enter a transition period until 31 December 2020.

What are the possible Brexit scenarios?

The main possible scenarios are the 'Hard' or 'Soft' Brexit. In the event of a Hard Brexit the UK will leave the EU without any further trade agreements. In the case of a Soft Brexit the UK will leave the EU, but there will be a transitional period until 31 December 2020 in which both parties will further negotiate trade agreements.

Brexit Transition Period:

Post 31st January 2020, the UK would enter a transition period during which it would continue to follow all EU rules and regulations and continue to pay the same amount of money into the EU budget. The transition would be due to end in December 2020, but under the terms of the withdrawal agreement it could be extended by one or two years. The government, though, has now said it will not ask for any extension. The advantage of transition is it would be a soft landing. There would be no sudden changes to the way the economy works, which would give some certainty to businesses. And there would be time to start negotiating the shape of the future relationship between the UK and the EU. But for as long as it lasts, the UK would have to follow all the rules policed by the European Commission, and the jurisdiction of the European Court of Justice, without having any say in making those rules.

No-deal Brexit:

No deal would mean the UK leaving the EU without any kind of formal agreement on the terms of its withdrawal. The government's own internal planning documents set out how much of a shock to the system it could be. Overnight, all the laws and regulations that have governed the relationship between the UK and the rest of the EU for nearly half a century would disappear. That would not happen under Boris Johnson's withdrawal agreement, which allows for a transition period after Brexit. It would see the UK leaving the EU but still following its rules and regulations (for example, on trade) for a period of time.

OUR BUSINESS & BREXIT

How is Menzies Distribution preparing for Brexit?

In terms of our Brexit preparations, Menzies Distribution have been working hard to complete a Business Readiness Checklist. This checklist has been created to help us consider the changes that Brexit may bring to our business and to help business planning at both Operational and Board levels.

The UK's impending departure from the EU will bring change for businesses of every size and sector. While some companies are planning for the challenges and opportunities ahead, Chambers of Commerce believe that all firms, not just those directly and immediately affected by Brexit, should be undertaking a Brexit 'health check' and a broader test of existing business plans. Time spent thinking through the changes that Brexit may bring to Menzies Distribution could yield real dividends in future.

Is Menzies Distribution ready for Brexit?

Yes, we are ready with additional contingencies in place for any delays with border crossings and other impacts. We are working closely with suppliers, relevant licences such as EORI are in place, additional fuel is being held in key locations, consumable stock holding has been increased and spare parts are being held for key operational systems. Whilst the exact outcome and impact of Brexit remains unknown through working with our suppliers in partnership we are positioning the business and the supply chain to react and minimise any impact.

How will Menzies Distribution handle deliveries post Brexit?

This will depend on the Brexit scenario, however we are working to minimize any impacts and we will communicate further details about this as soon as there is more clarity.

How will Brexit affect trade between the Republic of Ireland (ROI) and Northern Ireland?

After Brexit, Northern Ireland, as part of the UK will no longer be in the EU. The Republic of Ireland (ROI) will continue to be a member of the EU. The UK and the EU continue to talk about the future trading relationship between Northern Ireland and the ROI, including the so-called backstop arrangements. However the outcome is still unknown at present.

Whatever the outcome of these talks, Menzies Distribution will continue to support customers with their delivery and logistics needs in the UK, Northern Ireland and ROI.

FOR FURTHER INFORMATION ABOUT BREXIT VISIT:

WWW.GOV.UK/BREXIT

FOR ROI INFORMATION ABOUT BREXIT VISIT:

WWW.GOV.IE/EN/PUBLICATION/A7BA02-BREXIT-INFO/

OUR CUSTOMERS & BREXIT

What will change for me as a customer?

Regardless of a Hard or Soft Brexit, a customs declaration will always be required at import and export. However, the moment at which this becomes a requirement depends on whether a Hard or Soft Brexit scenario is chosen. In addition, please take into account the following:

- Customs invoices will be required for trade between UK and EU.
- Any additional inspections may be required for certain goods, but we do not expect this to impact Newspapers and Magazines.

What can I do as a Menzies Distribution customer to prepare for Brexit?

Apply for an Economic Operators Registration and Identification (EORI) number. If you have only operated in the EU so far and still trade with the UK after Brexit, an EORI number is required. The EORI number must be entered as an identification number in all data exchange with Customs.

What is the impact of Brexit on delivery times?

Menzies Distribution have been in close contact with suppliers during the Brexit negotiations and this will be dependent on the outcome of the process. However we are aware of the sensitivity of delivery times.

We are aware that we required EORI numbers for travel around the UK and Ireland and have taken the steps to ensure that these permits are in place. We are working closely with our publisher and customer groups throughout the process and will continue to update them on all Brexit related processes and developments.

IF YOU HAVE ANY ADDITIONAL BREXIT RELATED QUESTIONS, PLEASE CONTACT YOUR ACCOUNT MANAGER IN THE FIRST INSTANCE OR EMAIL:

ENQUIRIES.HEADOFFICE@MENZIESDISTRIBUTION.COM