

BREXIT NEWSLETTER NO. 5

Hawthorn Logistics Solutions Ltd.

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We are where we are however we got here, now we need to figure out where we are going.

In 1822, Great Britain withdrew from the "Concert of Europe" (Initially comprising Austria, France, Prussia, Russia and GB) and put herself into what was termed "Splendid Isolation" until 1902.

The reasons are summed up very well by the then Foreign Secretary, George Canning when he said

"Non-intervention; no European police system; every nation for itself, and God for us all; balance of power; respect for facts, not for abstract theories; respect for treaty rights, but caution in extending them ..."

"England not Europe... Europe's domain extends to the shores of the Atlantic, England's begins there."

On the 1st of January 2021, the United Kingdom of Great Britain and Northern Ireland will once again withdraw from a European alliance, albeit in completely different circumstances. This time she will do it in a time when she "doesn't rule the waves" when the world is in a completely unforeseen depression caused by a virus that continues to wreak havoc on the biggest global economies.

I'm certain that had the Brexit vote been scheduled for June 2020 instead of 2016 that it would have, at the very least, been postponed, more likely abandoned. But however we got here, we are where we are and we need to make plans for where we are going to be post December 2020.

The British road haulage association has estimated that there will be 200,000,000 – 250,000,000 extra customs declarations required leading to a need for 50,000 more customs clearance clerks. These are astonishing numbers that any industry or process will find impossibly challenging. The Irish numbers will be much less, possibly around the 12,000,000 mark for customs declarations but no less overwhelming for the process and as a result for the economy.

The Irish Government in conjunction with its EU partners have been telling industry for many months that they need to "get ready" but even now, with less than 6 months to go, there is no real consistency to what "ready" means.

We have had two false starts, March and October 2019 and companies invested heavily in preparing initially for March 2019 and probably a little less so for October 2019. This is understandable as there is a lot of Brexit fatigue about. How many times lately have you heard the phrase, "oh lets just get it done and suffer the consequences!"

Well, we're about to discover what those consequences are and we need now to prepare ourselves in earnest what is coming. As a company we have continued to work with our current clients on their needs and have as a result of that work set up a Compliance Division within the company that is purely focussed (at the moment) on Brexit and its impact.

We have designed a single sheet questionnaire that companies can complete so that we can figure out how they should best approach the issues that will face them in January. We can email this form to you or you can download it from our website but irrespective of whether you work with us or someone else, please start that work now so that you can be as prepared as possible for what is coming in 2021.

Major new campaign to prepare UK for end of the transition period

The campaign will see the launch (13th July 2020) of a field force team which will give one-to-one support in person or over the phone to UK businesses and their supply chains to minimise disruption to the movement of goods.

The campaign will also target UK citizens intending to travel to Europe from 1 January 2021 and all importers to and exporters from the EU, alongside UK nationals living in the EU and EU, EEA or Swiss citizens living in the UK. This campaign will run alongside the UK's continued negotiations with the EU.

More information

Please visit WWW.hawthornlogistics.ie for updated Brexit and Compliance information