

Shawcity Limited Brexit Planning – September 2020

Shawcity distributes i) instrumentation within the UK and Ireland and ii) gas sensor products throughout the EMEA region.

On Monday 3 February 2020 the Prime Minister [laid a statement](#) in the House of Commons that sets out the Government's proposed approach to the negotiations with the EU about our future relationship. Further details on this and other trade negotiations will be made available, as the process develops. There is now a transition period until the end of 2020 while the UK and EU negotiate additional arrangements.

The current rules on trade, travel, and business for the UK and EU will continue to apply during the transition period. New rules will take effect on 1 January 2021.

Shawcity Limited is putting into place measures to counteract the impact of this and to ensure a continued reliable supply throughout 2020 and beyond of our products and services which are critical to our customers' businesses.

Our goal is to minimise the impact of Brexit on our customers and we will communicate as frequently as possible as negotiations and the process itself develops.

The key actions and assessments we are currently undertaking include the following:

- Within our role as distributors of instrumentation we import from manufacturers across the world and are continuing to work closely with each of them in terms of ongoing Brexit planning. We have continued to have discussions with these manufacturing partners over the past six months but very little has happened due to the impact of COVID-19 and lack of new information from the Government.
- We have asked each of our manufacturing partners to supply us with updates during the transition period and the assurances they have provided mean we are confident our supply chains will suffer minimal disruption. Any changes in standards, certification and labelling resulting from the process will be managed and implemented by our partner manufacturers on an ongoing basis. We have not received any notification or updates from any of our critical manufacturing partners to indicate that the supply chain is going to be affected any differently to their original review.
- We are continuing to provide our customer base with any relevant updates as and when they are released. Our approach remains the same – we will discuss any concerns our customers have and will do what we can to help alleviate any concerns they have.
- We have our Economic Operator Registration and Identification (EORI) number in place and are in a position to comply with any export instructions that may be issued by EU-member states from 1st January 2021 or earlier. We are also preparing for increases in customs administration. We have not received any additional information from our supply chain partners in terms of additional paperwork/costs that may be incurred from Jan 1st 2021 – however, we will continue to review the situation.
- We are talking to the businesses we use to move our goods (DHL, Fedex etc) to ensure we have provided all the information required to mitigate the risk of any customs delays.

- We are frequently reviewing the Department for International Trade's published guidance which states which trade agreements with non-EU countries are in place during and after the transition period.
- We will continue to review the Department for Exiting the European Union's guidance on International Agreements with third countries during the transition period.
- We are regularly consulting with customers and industry peers, as well as industry-leading organisations such as the BSIF, to stay informed on the latest developments and updates regarding the trade and business implications and requirements of Brexit. BSIF are giving some updates at the moment but the main focus is on PPE and certification. We will continue to work alongside BSIF and keep abreast of any updates which could impact on our supply chain.
- We will continue to monitor potential financial costs, both in terms of any price increases from manufacturers as well as shipping costs, increased duty and tariffs and foreign exchange fluctuations. The potential for longer-term increases remains a possibility but we will always strive to maintain our existing costs for as long as possible. New financial restraints have been created by COVID-19, these unseen costs are constantly being analysed but it's unknown if any additional costs will be created through Brexit due to COVID-19.
- We have prepared to continue the free flow of data from the EU to the UK and protection of EU data subjects.

The management team will continue to review Government guidelines and updates at every opportunity.

We encourage any of our trading partners and related companies to contact us if they have any direct or specific concerns.

Neil O'Regan, Managing Director

Shawcity Ltd

91-92 Shrivenham Hundred Business Park Watchfield Oxfordshire SN6 8TY 01793 780622

info@shawcity.co.uk

www.shawcity.co.uk