



What to expect on day one of a no deal scenario: Businesses using chemicals^Δ

Currently, the UK chemicals industry is regulated through a framework largely based on EU legislation and implemented by the European Chemicals Agency (ECHA).

The main piece of legislation is REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), which requires EU companies to register chemicals with ECHA before placing them on the market and puts in place additional regulatory controls on hazardous chemicals.

Companies producing and exporting chemicals from outside the European Economic Area (EEA) must comply with REACH by ensuring the EU-based importer they supply fulfils the requirements or by procuring the services of an 'Only Representative' (OR).

How processes would change

If the UK leaves the EU on 29 March 2019 without a deal, the government would ensure UK legislation replaces EU legislation. It will establish a UK regulatory framework and build capacity to deliver the functions currently performed by ECHA. We would maintain existing standards of protection of human health and the environment. The Health and Safety Executive (HSE) would act as the lead UK regulatory authority, building on its existing capacity and capability.

This would mean:

- if you are a UK-based company with an EU REACH registration, you would no longer be able to sell into the EEA market without transferring your registrations to an EU-based organisation
- You would therefore need to take action to preserve your EEA market access
- if you are a UK-based company with an EU REACH registration, you will need to take action to validate the transferral (grandfathering) of your EU REACH registration into UK REACH
- if you are a UK-based company currently importing chemicals from an EEA country, you would face new registration requirements.

Ensuring continued access to the UK market and maintaining existing standards of protection for human health and the environment.

To ensure continuity for business, the government would:

- carry across existing REACH registrations held by UK-based companies directly into the UK's replacement for REACH, legally 'grandfathering' the registrations into the UK regime
- set up a transitional light-touch notification process for UK companies importing chemicals from the EEA before the UK leaves the EU that don't hold a REACH registration. This would reduce the risk of interruption in supply chains for companies currently relying on a registration held by an EEA-based company. This would mean that those UK companies could continue to buy those chemicals from the EEA without any break

- carry into the UK system all existing authorisations to continue using higher-risk chemicals currently held by UK companies.

To ensure we have the information needed to regulate the safe use of chemicals, UK firms would need to take the following actions:

- businesses with existing EU REACH registrations or authorisations being automatically grandfathered into the UK regime would have to validate their existing registration or authorisation with the UK authority (HSE). This means opening an account on the new UK IT system and providing some basic information on their existing registration within 60 days of the UK leaving the EU. This IT system is being tested with a range of different users so that it is ready to support registrations of chemicals in the UK from March 2019

- companies with grandfathered registrations would have two years from the day the UK leaves the EU to provide the UK authority (HSE) with the full data package that supported their original EU registration and is held on the ECHA IT system
- businesses that imported chemicals from the EEA before the UK leaves the EU (but who did not have an EU REACH registration), would need to notify the UK authority (HSE) and provide some basic data on the chemicals within 180 days of the UK leaving the EU, instead of having to undertake a full registration immediately. This would be an interim arrangement for those importers and they would need to move to full registration at a later date following a review of this approach
- importing businesses would be responsible for identifying appropriate risk management measures and recommending them to their customers.

If you wish to place new chemicals on the EEA and UK market, in a no deal scenario, you would have to make two separate registrations, one to the EEA and one to the UK. The information and data package needed would be the same for both.

Maintaining or securing EEA market access

If you are an existing UK-based registrant company and you wish to maintain EEA market access, you would need to transfer your registrations to an appropriate EEA-based entity (such as an affiliate or an 'Only Representative'), or develop new working relationships with EEA customers, before the UK leaves the EU. Refer to [guidance on the ECHA website](#) for further information on the steps you should take.

If you wish to register new chemicals for the EEA market after the UK leaves the EU, you would need to register those with ECHA as you do now, but would need to do so via your EU customers or an appropriate EEA-based entity. Further guidance on how to do this can be [found on the ECHA website](#).

UK REACH [additional guidance](#) if there is no EU exit deal is on the HSE website. This information is also summarised in a [Scenario Summary Table](#).

Imports and exports of mercury

The use, disposal, storage and movement of mercury in the UK is currently regulated through a framework based on EU Regulation 2017/852, which implements the UN Minamata Convention on Mercury.

If the UK leaves the EU on 29 March 2019 without a deal, the movement of mercury materials, including mercury waste, from the EU to the UK would be classified as exports and prohibited under the current EU Regulation.

Currently, it is prohibited to export mercury, mercury waste, the mercury compounds/mixtures listed in Annex I of the Regulation, and mercury-added products listed in Annex II, outside the EU (with certain derogations). As a consequence, operators would not be able to receive shipments of prohibited exports from the EU.

EU countries would continue to be able to accept mercury waste from the UK for disposal where, as the exporting country, the UK has no access to available conversion capacity. The UK would seek to replicate the current situation by only allowing export from the UK to the EU.

The restrictions and derogations on the import of mercury, mixtures and compounds of mercury, and mercury-added products as currently applied would continue to be the same in a no deal scenario. The current requirement for business operators to obtain written consent to import mercury or the mixtures of mercury for a use allowed in the UK would continue.

Making importing easier from the EU

HMRC is introducing new [Transitional Simplified Procedures \(TSP\)](#), to make importing through roll-on, roll-off ports and the Channel Tunnel easier for the initial period after the UK leaves the EU, should there be no deal. We anticipate TSP will remain in place until traders are ready to use rest of the world processes and permanent arrangements are in place, which will take at least a year.

Sign up for HMRC's new [Transitional Simplified Procedures \(TSP\)](#), online from 7 February, to make importing easier for you until at least April 2020.

Once you are registered for TSP you will be able to:

- transport most goods into the UK without having to make a full customs declaration at the port
- postpone paying your customs duties.

However, for controlled goods, such as animal products and most plants, or excise goods like alcohol or tobacco, you will have to provide some customs information before import.

We have published further [guidance on TSP](#) on GOV.UK, including the locations TSP applies to.



Actions you should take now

1. Identify the chemicals that you manufacture, sell or use and your regulatory responsibilities with respect to that chemical.
2. Understand the action you need to take by referring to the **Additional Guidance**. Actions for different types of businesses to take are summarised in this **Summary Table**.
3. Prepare your information, for example to register a chemical. Check contingency plans across your supply chain to understand what information you may need to supply to UK agencies, logistics providers, suppliers and customers.
4. Check for further **EU Exit information from the Health and Safety Executive (HSE)** on other chemical regimes because there may be changes to how importing and exporting works, such as the Classification Labelling and Packaging (CLP) and the Prior Informed Consent (PIC) regimes.
5. Sign up for **Transitional Simplified Procedures (TSP)**, online from 7 February, if it's suitable for your business but you should note that:
 - you will need to use your EORI number to register
 - if you are importing controlled goods such as animal products and most plants, or excise goods like alcohol or tobacco, you will have to provide some customs information before you import
 - read further guidance on TSP on GOV.UK, including the locations TSP applies to.
6. Stay up-to-date with these changes by **registering for email alerts**. Follow the link, add your email address, select 'Submit', select 'Add subscription' and choose 'EU Exit' then select 'Submit'.