

# ETRC speaks out on Brexit implications for the duty free industry

The European Travel Retail Confederation (ETRC) held a number of meetings in Brussels on September 4 to discuss the potential for a “hard Brexit” and the implications for the duty free industry.

In a statement to the travel retail media, the ETRC said the following information had been confirmed by the European Commission:

- In the event of a “hard Brexit” – a no-deal scenario between the UK and the European Union – duty and tax free sales to UK-bound passengers will be permissible from November 1, and ETRC members should plan accordingly. It remains the position of the EU that they will try to reach an agreement with the UK but a hard Brexit is a strong possibility.
- The European Commission also strongly advised the ETRC to take particular care to order and deliver shipments of goods to/from the UK before October 31, as there will be considerable difficulties in clearing such products due to the immediate change in Customs procedures and rules.
- What must be avoided in particular is that shipments are caught in transit over the October 31/November 1 period as they could get caught up in lengthy delays due to immediate changes in procedures and rules.
- Also, there will be significant difficulties with excisable goods and with fresh food, which will be subject to significant changes on how they are handled by Customs authorities and other government departments. We therefore advise that this be factored into your hard Brexit planning and that sufficient stocks be built up to cover the immediate period post-Brexit.
- The emergency legislation guaranteeing slots for airlines for flights to the UK will be extended until October 2020 so there will be one year to find a longer term solution for airline market access.
- The situation for duty and tax free sales for passengers leaving the UK is still not clear and the UKTRF is still seeking clear guidance from the UK Government.

ETRC President Nigel Keal said: “Today in Brussels, the European Commission reiterated its earlier position that duty and tax free sales will be allowed for all passengers to the UK from November 1 in the event of a hard Brexit.

“Furthermore, the European Commission strongly advised us to prepare for lengthy delays and hold-ups for the delivery of stock in the immediate post-Brexit period and we must therefore plan accordingly.

“We still do not know what the situation will be for duty and tax free sales from the UK but UKTRF is engaging with the relevant government departments. Given the time it takes to prepare for this, we urge the UK government to give us clarity as soon as possible.”