



## Brexit readiness update

14 December 2018

### In this update:

- [CJEU confirms that the UK can unilaterally revoke Article 50](#)
- [Political developments](#)
- [Growing importance of preparing for a “No-deal” Brexit](#)
- [Upcoming Brexit webinars](#)

## CJEU confirms that the United Kingdom can unilaterally revoke Article 50

In a landmark ruling on 10 December 2018, the Court of Justice of the European Union (CJEU) confirmed that the United Kingdom can unilaterally withdraw its intention to withdraw from the European Union. It does not require consent from any other Member State, but does require democratic process in accordance with UK constitutional requirements.

[Read the newsflash published by the law firm Laga for a deeper technical analysis of this judgment](#)

## Political developments

Although a Withdrawal agreement vote was scheduled for Tuesday 11 December 2018, Theresa May ended up delaying the vote, likely due to the predicted heavy defeat and to allow further discussions with the EU regarding the agreement.

The following day on 12 December 2018, the prime minister's leadership of the Conservative Party was challenged with a

vote of no confidence. Theresa May survived the challenge with 63% of total votes in her favour, thereby protecting her leadership for a year.

At the EU summit of 13 December 2018 in Brussels, the Prime Minister aimed at obtaining legally binding pledges from EU leaders on the "Irish backstop", the plan to avoid a hard border between Northern Ireland and the Irish Republic. However, although the EU was willing to provide additional clarifications, it stood firm by maintaining that the withdrawal agreement is "not open for renegotiation".

Theresa May appealed by claiming that the deal was "at risk" if MPs' concerns were not addressed. European Commission president Jean-Claude Juncker stated that the UK needed to be clearer on what it wanted, adding that on 19 December 2018 the EU commission will publish information on its own preparations for a "no-deal" Brexit.

## **Growing importance of preparing for a "no-deal" Brexit**

Despite the CJEU judgment allowing the UK to unilaterally cancel Article 50, the political developments covered above very much indicate that a "no-deal" Brexit is an increasingly likely outcome.

It has therefore become much more important for businesses to start planning for such a scenario, to minimise damaging disruption in their activities and processes.

Deloitte Belgium's [Brexit Readiness Centre](#) provides insights to help assess possible Brexit implications for businesses and employers. The site also outlines Deloitte's Brexit readiness solutions, covering customs, VAT and people movement, among other impact areas. Through these solutions, Deloitte can assist in preparations for a "no-deal" scenario.

### **Deloitte's Brexit impact tool**

To further help with Brexit readiness, a free online questionnaire can be completed to see the possible Customs and VAT implications for a company in case of an increasingly likely "no-deal" Brexit.

Those interested in completing this self-analysis questionnaire are invited to complete [this form](#) to request access to the tool. Those who have already requested access can complete the questionnaire by visiting <http://trc.deloitte.be>, and accessing the tool with the credentials provided via a separate email. Users who encounter any issues can contact the dedicated team at [BETRC@deloitte.com](mailto:BETRC@deloitte.com).

## **Upcoming Brexit webinars**

Deloitte UK | Latest developments

Join us on Monday, 17 December 2018 at 5:00 pm CET to discuss the latest developments.

Our UK Brexit lead David Noon will be joined by Lord Jonathan Hill, former UK government minister and European Commissioner for Financial Stability, Financial Services and Capital Markets Union and Ian Stewart, Deloitte's Chief Economist.

We do hope you will be able to join us.

[Register here](#)

## EMEA Tax Dbriefs | Brexit – Tax Readiness

**Host: Amanda Tickel**

**Presenters: Alexander Linn, Johan Hollebeek, Barney Horn**

The publication of the Withdrawal Agreement and political declaration on the future relationship between the UK and the EU marks a positive development in negotiations. However, uncertainty remains, and businesses need to be ready to adapt to the outcome, including managing the tax implications. What are the latest developments and key tax impacts from both a UK and EU perspective? We'll discuss:

- Customs duty implications: impact on trade agreements, use of customs regimes to mitigate or suspend additional duty costs, applying for Authorised Economic Operator status, and managing submission of customs declarations.
- VAT implications, including loss of simplifications, cash flow and registration requirements.
- Corporate Tax and Social Security considerations arising when EU Directives no longer apply.

Find out what this means for your business.

[Register for this webcast](#)

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### Contacts

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