



Department  
for Environment  
Food & Rural Affairs

# Summary Document

**Resources and Waste Division, Defra**

**No deal EU Exit Stakeholder event**

3<sup>rd</sup> October 2019

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## Introduction

On 3<sup>rd</sup> October 2019, Defra held a third stakeholder event on the implications for the waste management industry of the UK leaving the EU in a 'no deal' scenario. This event shared the planning and contingency work of Defra, the UK's regulators, the cross-Whitehall Border Delivery Group, HMRC and the RDF Industry Group. We also used this event as an opportunity to further understand industry concerns which will inform Defra's preparations and future communications.

This document summarises the key points from the event, the insights gained by officials, and includes links to important information. The slides from the day have already been circulated. At the end of this document is a Q&A section; this addresses the questions raised by attendees at the event.

We encourage you to circulate this document to your staff, members and customers.

## Key messages from presentations

- Your permit or licence still applies and you are expected to continue to meet its conditions.
- You should make a plan in case there are disruptions at the ports that you use.
- Review your own capacity and how long you can store waste on your site.
- Identify alternative storage facilities that could accept your waste.
- Assess if there are other export routes to market that avoid impacted ports.
- Identify any alternative recovery or disposal options for your waste.
- If you do change your export route, you will also be required to change your export notification.

## Feedback from breakout session and Q and A panel.

We held a breakout session during the event to focus on the views of the Waste industry on the sector's general preparedness and capacity for EU Exit. The Q and A session gave stakeholders the opportunity to seek answers to questions specifically to panel. On the panel were: Kate Arnold (Defra); Alexander Vince (HMRC); Bethany Ledingham (RDF Industry Group) and UK regulators (Jonathan Young; Allison Townley; Peter Lang and Steve Molyneux). The panel was chaired by: Heeran Buhecha-Fordyce (Defra).

The most commonly raised points are listed below.

### Top tips on contingency planning for businesses

- Ensure your paperwork is in order for day 1 of EU exit.
- As soon as possible, speak to regulators about your storage capacity, and apply for increased waste storage permits if necessary.
- Stay up to date with government and industry communications and plan accordingly. ([Links to useful information](#) are given in this document)
- Assess alternatives to exporting or storing your waste, such as alternative recovery or disposal options (e.g. domestic routes) according to the waste hierarchy.
- Assess storage capacity at all parts of the waste supply chain, in case of disruption at ports.
- Prepare for additional administration, for example assess the need for additional staff.
- Communicate with your customers and contractors to make them aware of potential issues, such as possible disruption to waste collection and additional costs.
- Be aware of the potential degradation of perishable waste (paper, RDF, etc.) and the cost, safety and environmental impacts of this.
- If any of your customers export perishable goods through Roll on-Roll off (RoRo) ports, check that they have contingency plans in place to deal with any excess waste.

## Industry's views on readiness and capacity of industry for EU Exit

- Many businesses feel that they are sufficiently prepared for EU Exit, however, uncertainty has made it difficult to plan effectively.
- There is a lack of understanding of new customs and VAT arrangements, processes and systems.
- SMEs might be less prepared than the larger operators.
- There is uncertainty around what actions might be taken by EU member states post Brexit, especially with regards to their customs arrangements.
- Some businesses have been exploring alternative storage options.
- Some businesses called for a less complex process for changing the notified port of exit
- Industry were reassured that Defra is prepared for a no deal EU exit.

## Industry's main concerns:

### *Financial:*

- Costs to businesses of contingencies and extra staff that may not be needed in the long term.
- Many companies do not use customs agents and smaller companies may struggle to cover the additional costs associated with using these.
- In the future, there will be changes to the waste sector driven by changes in the economics of exporting waste versus dealing with it within the UK.
- There is uncertainty about which tariffs may be applied, and the VAT and customs arrangements post EU Exit.

### *Regulatory:*

- Regulators may be too slow to vary permits.
- In relation to the waste hierarchy, disposal operations may be the best overall environmental outcome in more cases if alternatives higher up the waste hierarchy (e.g. energy recovery or recycling), are temporarily not possible or available.
- HMRC may not be adequately prepared for increased admin and workload. IT systems may not be able to deal with increased demand.
- There is a lack of understanding of notification deadlines post EU Exit.

### *Practical:*

- Concerns that exports of other goods will be prioritised over waste, and a lack of export capacity could result in waste backing up throughout the supply chain.
- Some companies are confident that the policy framework and customs arrangements are in place, but concerns around how prepared shipping industry is for the new arrangements.
- Some businesses do not understand how the new paperwork should be filled in.
- Concern that storage capacity along the supply chain may not be sufficient.
- Landfill capacity concerns: need greater transparency on capacity and opening hours.
- Concerns that illegal handling of waste will increase.

- Complicated supply chains make it difficult to make contingency plans until problems start to appear.
- There are concerns about the handling of paperwork at ports.
- Smaller operators may not be prepared for EU Exit.
- Companies used for back haulage could reduce their shipment frequency due to uncertainty about EU Exit; this could increase costs for the RDF industry.

### What does industry want to hear from government and the regulators?

- Clear, concise communication.
- Quick and efficient reactions to emerging situations.
- More information on government's contingency planning.
- More information from HMRC about customs and VAT.
- Practical information from regulators on what and how to prepare.
- Reassurance from regulators that requests to change permits and export routes will be handled quickly and efficiently.
- Acceptance / clarifications of situations where, in applying the waste hierarchy duty, disposal may be seen as the best overall environmental outcome if options higher up the waste hierarchy are unavailable.
- Work to streamline the import / export process after EU Exit.
- Develop additional storage and processing infrastructure and capacity.
- Running of further regional events before the 31st October, to help businesses get ready.

### Useful links

**To move goods into or out of the EU you need an Economic Operator Registration and Identification (EORI) number. Find out how to apply for this here:**

<https://www.gov.uk/eori>

**French customs guidance for UK businesses in the event of a no deal Brexit**

<https://www.gov.uk/government/publications/french-customs-guidance-after-brexit>

**Dutch customs guidance for UK businesses in the event of a no deal Brexit**

<https://www.getreadyforbrexit.eu/en/>

**Belgian EU Exit guidance**

<https://www.gov.uk/guidance/belgium-providing-services-after-eu-exit>

**Importing, exporting and transporting products or goods after Brexit**

<https://www.gov.uk/prepare-import-to-uk-after-brexit>

<https://www.gov.uk/prepare-export-from-uk-after-brexit>

**Importing and exporting waste if there's no Brexit deal**

<https://www.gov.uk/guidance/importing-and-exporting-waste-if-theres-no-brexit-deal>

**Transport goods out of the UK by road if the UK leaves the EU without a deal: checklist for hauliers**

<https://www.gov.uk/guidance/transport-goods-out-of-the-uk-by-road-if-the-uk-leaves-the-eu-without-a-deal-checklist-for-hauliers>

**Register for simplified import procedures if the UK leaves the EU without a deal**

<https://www.gov.uk/guidance/register-for-simplified-import-procedures-if-the-uk-leaves-the-eu-without-a-deal>

**The UK government's EU Exit help page for businesses**

<https://euexitbusiness.campaign.gov.uk/>

**Prepare your business or organisation for the UK leaving the EU**

<https://www.gov.uk/business-uk-leaving-eu>

**Prepare to drive in the EU after Brexit: lorry and goods vehicle drivers**

<https://www.gov.uk/guidance/prepare-to-drive-in-the-eu-after-brexit-lorry-and-goods-vehicle-drivers>

**VAT for businesses if there's no Brexit deal**

<https://www.gov.uk/government/publications/vat-for-businesses-if-theres-no-brexit-deal/vat-for-businesses-if-theres-no-brexit-deal>

**Claim VAT refunds from EU countries after Brexit**

<https://www.gov.uk/guidance/claim-vat-refunds-from-eu-countries-after-brexit>

**Place of supply of services (VAT Notice 741A)**

<https://www.gov.uk/guidance/vat-place-of-supply-of-services-notice-741a>

**Paying VAT on imports, acquisitions and purchases from abroad**

<https://www.gov.uk/guidance/vat-imports-acquisitions-and-purchases-from-abroad>

**The Waste Exit SI (Miscellaneous Amendments) (No. 1)**

<http://www.legislation.gov.uk/uksi/2019/620/contents/made>

**The Waste Exit SI (Miscellaneous Amendments) (No. 2)**

<http://www.legislation.gov.uk/uksi/2019/188/contents/made>

**The International Waste Shipments (Amendment) (EU Exit) Regulations 2019**

<https://www.legislation.gov.uk/uksi/2019/590/contents/made>

## Contact details

### Defra

For general enquiries, call the Defra Helpline on **03459 335 577** (Monday–Friday, 08:30–17:00)

Find out about call charges at [www.gov.uk/call-charges](http://www.gov.uk/call-charges)

For any queries relating to the regulatory controls associated with waste exports: [askshipments@environment-agency.gov.uk](mailto:askshipments@environment-agency.gov.uk)

For waste questions related to EU Exit: [Waste-EUExit@defra.gov.uk](mailto:Waste-EUExit@defra.gov.uk)

### Environment Agency

Specific waste shipments email: [askshipments@environment-agency.gov.uk](mailto:askshipments@environment-agency.gov.uk)

Customer Contact Centre: 03708 506 506

Emergency number: 0800 80 70 60

### Northern Ireland Environment Agency

More information is available on our website at <https://www.daera-ni.gov.uk/brexit>

Contact via e mail [tfs@daera-ni.gov.uk](mailto:tfs@daera-ni.gov.uk)

### Natural Resources Wales

[www.naturalresources.wales](http://www.naturalresources.wales)

General Enquiries or Incidents 0300 065 3000

[enquiries@naturalresourceswales.gov.uk](mailto:enquiries@naturalresourceswales.gov.uk)

### Scottish Environment Protection Agency

Information is available on the web site at <https://eu-exit.sepa.org.uk/>

Or contact via e-mail <https://www.sepa.org.uk/contact/contact-us-via-email>

**For VAT and tariff queries, please email HMRC:**

[externalstakeholders.customs@hmrc.gsi.gov.uk](mailto:externalstakeholders.customs@hmrc.gsi.gov.uk)

## Questions and answers

### Contingency Planning

#### **1. What are Defra's key messages for the waste industry if the UK exits the EU without a deal?**

As we leave the EU, changes at border controls could delay waste exports – especially at 'Roll on-Roll off' ports. The government is doing everything it can to reduce the risk of disruption and to minimise delays to exports. Disruption at container ports is not expected.

If you or your business collects, transports or stores waste that is due to be exported to the EU, your existing permit or licence still applies and you are expected to continue to meet its conditions.

Given anticipated disruption at some ports, you should make a plan to minimise any impacts on your business:

- Review your own capacity and how long you can store waste on your site.
- Identify alternative storage facilities that could accept your waste.
- Assess if there are other export routes to market that avoid impacted ports.
- Identify any alternative recovery or disposal routes for your waste.
- Contact your haulage operator to discuss any potential changes to transport.

If you do change your export route, you will also be required to change export notifications. This must be agreed by the UK and overseas Competent Authority.

Your contingency plans need to be compatible with the requirements on your permit. If you are unable to make adequate contingency plans you should contact your regulator for advice. In England this is the Environment Agency, on 03708 506 506. See the "[contact details](#)" section of this document for contact details of the other UK regulators.

#### **2. Are government and regulators suitably prepared for a no deal EU Exit?**

For over 2 years, the government has been implementing a significant programme of work to ensure that the UK is prepared to leave the EU. This means preparing for all scenarios, including if the UK leaves the EU without a Withdrawal Agreement in place.

Three Statutory Instruments have been laid to amend waste legislation and ensure that legislation is in place to continue the current legislative framework if the UK leaves the EU without a deal.

Defra has received confirmation that all EU competent authorities have agreed that approvals for notified waste can continue in their current form after we leave the EU. This means no new applications will be required to allow the export of UK waste to these EU Member States.



**3. What will happen at ports in a no-deal scenario? How bad could disruption at ports be?**

There may be some delays at locations which operate 'Roll-on, Roll-off' systems. In particular a reasonable worst case scenario is one in which flow through the short Channel crossings (both imports and exports) could be reduced very significantly for several months. No significant disruption is expected at container ports.

**4. What actions will be taken if storage capacity isn't sufficient to cope with increased waste, and waste starts backing up throughout the supply chain?**

If disruption to waste exports does occur, waste exporters are advised to review their plans and temporarily store waste on site until export capacity, or other waste management options, become available. You should contact your regulator for advice (see "[contacts details](#)" section) if you are unable to make adequate contingency plans that are compatible with the requirements of your permit. You should also consider possible alternative recovery or disposal routes for your waste.

**5. Will changes to permits as part of contingency planning happen in time to avoid waste storage issues if we leave with no deal?**

Operators' contingency plans need to be compatible with the requirements on their permit(s). If you are unable to make adequate contingency plans you should contact your local regulator for advice as soon as possible (see "[contacts details](#)" section).

**6. What are the criteria by which regulators will decide that permit variations can be put in place?**

To continue to ensure a high level of protection for people and the environment, UK environmental regulators will discuss permit variations on a site-by-site basis, using a risk based approach. In the first instance operators should approach their local regulator teams. Regulators will only consider variations where the waste is being specifically affected by EU Exit. An increase in permitted storage will not be allowed where there were no plans to export the materials.

**7. Is landfilling waste an option in a worst case scenario if waste cannot be exported?**

In the event you cannot export waste due to disruption at ports, you should try to store waste until export capacity becomes available. If this is not practical, you should look for alternative recovery options in the UK following the waste hierarchy. In extreme cases where waste needs to be disposed of in landfill, there is sufficient landfill capacity in England to accept additional wastes. However, note that only certain landfill sites are licensed for disposal of hazardous waste and that landfill acceptance criteria apply in relation to the types of waste that may be accepted at landfills.

## **8. What conversations have the regulators had with ports?**

The government regularly holds bilateral fora between key industry stakeholders – including ports – and relevant government departments, agencies and regulatory bodies. This allows key stakeholders to voice concerns to regulatory bodies directly, as well as for government departments to disseminate information and respond to concerns more generally.

## **9. How are you going to share important information with smaller waste operators?**

We have been working with waste operators and trade associations to help the industry prepare for EU Exit. We have asked trade associations to help disseminate information across the industry. We are also using the [www.Gov.uk](http://www.Gov.uk) website and social media channels to share important information.

## **10. Will waste exports be a lower priority than food and other commodities?**

There will not be any priority for waste at borders. Priority goods will only be those classed as essential for “life and limb” (which does not include waste). Priority will not be given to empty trucks to avoid the risk of dumping of loads/fly-tipping.

That is why it would be prudent for waste exporters to have contingency plans in place.

## **11. Is there likely to be increased abandonment of waste sites, or increased waste crime?**

We expect all waste operators to adhere to the conditions of their permits. We are encouraging businesses who export waste to consider and continue to plan alternative options in case of disruption at borders. Permits and licences will still apply and the waste industry is expected to meet the high standards of protection for people and the environment and work to sound waste management practices. Anyone who suspects abandonment of waste or criminality in the waste industry should contact their local regulator (see “[contacts details](#)” section) or Crimestoppers on 0800 555 111.

Waste Shipments specific issues

## **12. There is a specific uncertainty about what method of delivery is required for movement documents for notified shipments. Is the carrier expected to deliver a copy of the movement document to the relevant Union customs offices (e.g. customs offices of exit or entry)?**

The Environment Agency (EA) have written to all European Union (EU) Competent Authorities stating that if we haven't heard from them by 18/10/19 we will advise

hauliers of notified waste that they must carry a copy of the waste movement form and will provide it to Customs if requested. We will update notifiers after 18/10/19.

Waste notifiers should ensure that their waste carriers have copies of the waste movement document and can provide this document to EU customs officials if they request it.

**13. Can you clarify what guarantees are required?**

A financial guarantee is required for each notification. There will be no change to the system of financial guarantees in respect to notified waste shipments.

**14. Currently, green list waste shipments are exported to the EU along with the required documentation (Annex VII forms, Waste Transfer note). If the UK leaves the EU without a deal, will the UK need to pre-notify the competent authorities of these shipments (start point country (i.e. UK), end destination country and transit countries) prior to export of Green List waste?**

There will no change to the types of waste that require notification controls as a result of the UK leaving the EU. Wastes that are currently Green List will remain Green List and will follow the same waste shipment procedures and rules as they currently do.

**15. If so, will we be required to set up Transfrontier shipment (TFS) notifications for these green list waste shipments for the planned permitted recycling facilities in EU countries or will it be a simple online notification? How this will work?**

Green Listed waste destined for the EU will not be subject to notification controls as a result of the UK leaving the EU. The OECD system for transboundary waste movements destined for recovery is the primary set of international rules governing the shipment of waste for recovery. The UK is a member of the OECD and the EU will treat the UK as a member of the OECD for the purposes of the procedures that control the shipment of these wastes between OECD members and as a consequence there will be no changes to the basic procedures.

**16. What will the difference be when exporting to EU27 countries and European Free Trade Association (EFTA) countries?**

The EU will apply the controls in the EU Waste Shipment Regulations (Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste). These regulations implement the requirement of the OECD decision on transboundary waste movements and the Basel Convention. The UK is a member of the OECD and a party to the Basel Convention. The EU and EFTA countries will treat the UK and a member of the OECD and a Basel Party as will

EFTA countries. For waste shipments procedures and process this will mean there will be no significant changes.

UK registered waste carriers will need waste carrier authorisation for each EU country you transport waste through or into. The acceptance of waste carrier registrations can vary between countries and requirements can also differ for waste carriers outside the EU or EFTA area. If we leave the EU without a deal, the requirements waste carriers need to meet to carry waste in certain EU member states may change. You will need to contact the relevant authorities in the country you're transporting waste to or through to find out about the authorisation process.

**17. Should the Movement Document for Notified Waste Shipments be stamped by Customs official in EU Member States (MS) and returned to the haulier, or do we need to send multiple copies?**

Waste carriers may be required to provide a copy of the movement document to the Customs Office of Entry to the EU and the Customs Office of Exit from the EU. Multiple copies may be needed since the Customs official should take the document, stamp it and forward to the EU Competent Authority that approved the shipment. Waste carriers are advised to carry multiple copies

**18. Will it take longer to get approval for notifications?**

The approvals for notifications should not take longer than it does now. Similarly though, it is not likely to be quicker than it is (where currently slow process in some countries).

**19. Who will pay for costs associated with waste backing up throughout the supply chain?**

Operators should consider the costs involved with disruption to waste exports as part of their contingency planning.

**20. Who will pay for the extra cost of landfilling waste that cannot be exported?**

Operators should consider the costs involved with disruption to waste exports as part of their contingency planning.

**21. Can commercial contracts' force majeure clauses be activated?**

This matter should be decided by contract partners.

**22. Will businesses be able to get insurance for additional storage?**

Operators should take up this issue with their insurance providers in the first instance.

Waste Carrier Licenses

**23. Is there any information on sector readiness and where waste is going to go if there are significant interruptions to supply chains and delays at the borders?**

There is sufficient landfill capacity for the extra waste that could need to be sent there.

Waste site owners should be doing contingency planning and contacting the EA, SEPA, NRW or DAERA, depending on where they are located, if they think they need to increase the amount of waste they store on site.

**24. If I carry waste in the EU what do I need to do before we leave the EU without a deal on 31st October?**

If you carry waste in the EU, you need to make sure that you have the correct authorisation to carry waste in each country you transport waste in or through. If we leave the EU without a deal, the requirements you need to meet to be authorised to carry waste in certain EU member states may change.

**25. Where is the information on each country's requirements?**

There is no single source of information on each country's requirements. Contact the authority responsible for waste in the country you're transporting waste to or through to find out about the authorisation process.

**26. What other options are there for transporting waste overseas?**

This issue will only affect waste that is being carried by UK waste carriers who are not authorised. Using another appropriately authorised carrier is an alternative option for transporting waste in the EU, and waste can also be exported in shipping containers, as baled waste, or unaccompanied trailers.

**27. What about non-UK carriers bringing waste to the UK?**

All non-UK waste carriers are required to be registered with the Environment Agency if they transport waste outside of a port facility in the UK. Non-UK waste carriers can therefore land waste within the UK without a UK registration, and move it within a port facility, but for any transport outside of the port facility at which the waste is landed, the carrier must be registered with the UK. There will be no change to this in the situation of a no-deal EU Exit.

## Border Delivery Group Planning

**28. What priority will waste have if there is triaging of goods at borders?**

There will not be any priority for waste at borders. Priority goods will only be those classed as essential for "life and limb" (which does not include waste). Priority will not be given to empty trucks to avoid the risk of dumping of loads/fly-tipping.

**29. A specific concern is that there will be a shortage of trucks since European drivers fear being stuck in Britain due to the disruption. Has the Government tried to address this in any way? For example made contact with EU trade associations for truck drivers.**

In a no-deal scenario there is the potential for severe disruption on Kent's roads due to enhanced border checks by French border officials. To mitigate potential traffic disruption in Kent, the department and Highways England have been working closely with the Kent Resilience Forum to ensure there are robust contingency plans to minimise any impacts.

Operation Brock is an interim contingency plan that has been designed to ensure that, unlike Operation Stack, the M20 will be kept open. Operation Brock consists of three phases, involving a contraflow and queuing system between junctions 8 and 9 of the M20, as well as holding areas at Manston Airport and, if necessary, on the M26. The contraflow system on the M20 will allow lorries to queue between junctions 8 and 9 of the coast-bound M20. At the same time, other traffic will be able to proceed using two lanes in both directions on the London-bound side of the motorway, with access to junctions.

We are confident that Operation Brock will ensure that Kent's roads, including those in Dover, remain as free-flowing as possible. There is also an extensive programme of activity to ensure that traders and hauliers can be 'border ready' to avoid disruption at the border.

**30. Is there any information available on border planning that is more up to date than the Yellowhammer document?**

A lot of work is going on at the moment to update the Yellowhammer document, and some more information is due to be published shortly.

Customs related issues

**31. What customs forms need to be filled in for exports and imports of waste?**

You must first find out if the material to be exported or imported is classed as waste by any country involved in the journey. If so, then waste shipment controls apply to the whole journey. More information on what forms which are required can be found at [www.gov.uk](http://www.gov.uk)

**32. Our hauliers have asked that we supply shipment documents to them up to 24hrs in advance of loading to ensure they are able to complete the customs processes. For our industry this is not feasible as we will not know the weight of the trailer until it has been collected by the haulier and passed across the outgoing weighbridge. Is there any advice on how this can be dealt with?**

A commercial invoice and packing list will need to be sent with the goods for customs purposes. The weight on the commercial invoice can be different to that on the Annex VII providing it was not dramatically different; up to 800kg would be acceptable.

**33. If our waste material leaves UK shores for export before the 31st October, but only arrives abroad afterwards, would it be under new law and therefore subject to additional documentation?**

Under the rules and procedures that govern international shipments of waste there will be no change to the documentation used for shipments of waste between the UK and the EU. The requirements in relation to notifications documents for notifiable wastes and Annex VII forms for Green List waste remain the same.

If you are exporting notified wastes you should ensure your waste carrier has a copy of the waste movement document and they should provide this document to EU Customs Officers at the point they enter the EU Customs Area, if they are requested to do so.

Similarly, if relevant, the waste carrier should also provide a copy of the movement document to EU Customs Officers at the point of exiting the EU Customs Area, if they are requested to do so.

These are existing requirements in the EU legislation on waste shipments on third countries that bring waste into the EU Customs Area. If the UK leaves the EU without a deal on the 31 October it will become a “third country” and UK exporters and waste carriers taking waste into the EU Customs Area will need to comply with this requirement for the first time.

More information can be found at [www.Gov.uk](http://www.Gov.uk)

**34. Will the same arrangements be in place at the border between Northern Ireland and Ireland as are in place elsewhere?**

The movement of goods between NI and Ireland will be different. Please check [www.Gov.uk](http://www.Gov.uk) for more information.

**35. Are HMRC prepared for the increased administrative burden associated with no-deal?**

Yes. Over 4,000 full-time equivalent staff are now working on EU Exit, the majority in operational delivery roles. We are delivering the changes needed to HMRC’s systems and processes to ensure that UK borders will continue to function if we leave the EU without a negotiated agreement. A customs declaration processing platform is central to that, and we can confirm that we will have platforms in place that can handle the declarations that we expect to receive if the UK leaves the EU without a deal.

**36. Is HMRC IT infrastructure ready for the significant increase in traffic associated with a no deal EU Exit?**

HMRC are delivering the changes needed to their systems and processes to ensure that UK borders will continue to function from if the UK leaves the EU without a deal. That includes the changes that are required to ensure the continued movement of goods, passengers and parcels, and to maintain the flow of traffic through UK ports and airports.

A customs declaration processing platform is central to that, and HMRC has confirmed they will have platforms in place that can handle the declarations that they expect to receive if the UK leaves the EU without a deal.

HMRC will be dual running the existing Customs Handling of Import and Export Freight (CHIEF) system and the new Customs Declaration Service (CDS) alongside one another when the UK leaves the EU. The new CDS service is the future for customs - it is far more flexible than the ageing CHIEF system, and is capable of supporting potential negotiated outcomes in a way that CHIEF is not. CDS is not essential for day 1 of a no deal scenario.

HMRC has now successfully upgraded the existing CHIEF system with new hardware, and have effectively tested it to demonstrate that it can handle 90 messages per second - equivalent to the biggest peaks in traffic that could be seen in a no deal scenario. HMRC are also updating CHIEF functionality so that it can, for instance, handle Roll-on Roll-off traffic in a no deal scenario.

VAT payments on RDF and other tax issues

**37. What is the name of the VAT reclaim system?**

The VAT refund system does not have a specific name.

Guidance for UK businesses claiming VAT refunds from EU countries can be found here

<https://www.gov.uk/guidance/claim-vat-refunds-from-eu-countries-after-brexite>

Guidance for EU businesses claiming VAT refunds in the UK can be found here

<https://www.gov.uk/guidance/claim-vat-refunds-after-brexite-if-youre-an-eu-business>

**38. What will the additional VAT burden be, once we leave the customs union?**

The incineration of Refuse Derived Fuel (RDF) is considered to be a “service” which RDF exporters purchase. The RDF itself is goods. When the UK leaves the EU, exporters of RDF who pay for their RDF to be incinerated in the EU will have to account for on these services under the reverse charge.



As RDF is goods it may well be subject to import duties and VAT in the EU. Clarification on whether or not import duties and VAT will be charged will need to be sought from the Member State of import.

If the UK business is responsible for paying the import VAT they can reclaim it (subject to the normal rules) using the process for the EU member state where they are claiming the refund. Further information on the refund process in each EU country can be found here <https://www.gov.uk/guidance/claim-vat-refunds-from-eu-countries-after-brexit>

**What are the implications for importers who are receiving a VAT benefit through an existing scheme?**

HMRC have introduced measures on VAT only for goods imported into the UK. HMRC have the power to make changes to the VAT system on these imports, but there isn't an equivalent that can be applied to the RDF incineration service as the VAT is incurred in an EU Member State.

Waste exporters are encouraged to consider the costs involved with any changes to export processes as a result of EU Exit as part of their contingency planning.

**39. What support is there for those concerned that need to reclaim VAT paid in the EU on RDF exports will cause a cash-flow issue?**

Waste exporters are encouraged to consider the costs involved with any changes to export processes as a result of EU Exit as part of their contingency planning.

**40. What will happen if the Dutch introduce the tax on RDF and there are other pressures due to a no-deal Brexit? Will all the RDF go to landfill?**

There are other countries that RDF can be exported to. It is not certain how the market will respond.

**41. What new customs or import/export processes will be required? Are any process charts available?**

There is a great deal of information about this and a wide range of other changes on the [www.Gov.uk](https://www.gov.uk/guidance/importing-exporting-and-transporting-products-or-goods-after-brexit) webpage '[importing, exporting and transporting products or goods after Brexit](https://www.gov.uk/guidance/importing-exporting-and-transporting-products-or-goods-after-brexit)'.

**42. What engagement has Government had with other EU Member States on what their border checks and customs procedures might look like?**

Detailed information on border arrangements and customs procedures at French, Belgian and Dutch ports is included in the “[useful links](#)” section of this document.

**43. What customs checks will be imposed on waste exports?**

When we leave the EU, waste exports will be treated no differently to other exports. Risk based checks will be carried out by Border Force in the same way as they are now.

**44. Some exporters ship to EU destination ports (e.g. in Sweden) that do not have customs officials present at the port. How will this work?**

We cannot comment on customs arrangements in other countries. We recommend you contact the destination port for information.

**45. Solid recovered fuel (SRF) and refuse derived fuel (RDF) don't have dedicated customs codes – is this going to cause customs issues in the UK or EU?**

The customs code for RDF/SRF is 3825100000 (municipal waste).

**46. What VAT arrangements will waste exporters be subject to, and how will this work?**

In the event of no deal, exports to the EU will be treated in the same way that exports to businesses in the rest of the world are currently treated. This means that UK VAT will no longer be due on the removal of goods from the UK to EU Member States where the exporting business is not registered for VAT in the EU Member State. These will be VAT zero rated as exports from the UK.

Whether there will be an import VAT charge on the waste once it enters the EU in a no deal scenario will depend on the procedures of the EU Member State it is imported into. HMRC recommends speaking to the tax authority in the relevant jurisdiction, as it is not possible for HMRC to comment on the VAT arrangements of other countries.

**47. Waste exports can have negative value, for example, in the case of RDF. For these exported goods, the financial flow is the same as an import. What measures are in place to mitigate issues for exporters of this waste, who could face paying VAT both in the UK and the EU in a no deal scenario?**

There will not be a risk of double-taxation in the event of no deal. Energy from Waste (EfW) plants in the EU are providing a service to UK waste exporters by accepting UK waste, and it falls under the general rules of “[place of supply of services](#)”. This means it is taxable in the UK using the “[reverse charge procedure](#)”. The UK business receiving the service will charge themselves UK VAT, however, under the reverse charge, businesses also credit themselves VAT equal to the amount due. In the event of no-deal, the reverse charge will continue to apply in relation to business to business supplies of services from EU Member States, as is the case for suppliers from Rest of the World.

**48. RDF and SRF are “negative value items” and therefore have only a nominal £1 or 1p value on paperwork and a notional invoice. How will these goods be treated?**

The Government’s view is that the export of waste for energy recovery does not constitute a sale of goods but the purchase of a service. This is based on our understanding that UK exporters of RDF and SRF have to pay the energy recovery sites to take RDF and SRF. This view is supported by both HMRC and the World Trade Organisation (WTO). As a result, no tariff should be applied to their export.

**49. What documents will be needed to ensure waste can be successfully transported across the EU to reach its destination?**

The current waste shipments procedures will still apply. Notified waste must be accompanied by the Movement Document. Green List waste must be accompanied by an Annex VII form. This is the current requirement and leaving the EU does not change this.

**50. How will paperwork be managed and inspected at borders? Are drivers expected to be responsible for paperwork?**

When we leave the EU, waste exports at the UK border will be treated no differently to other exports. Waste carriers should have a copy of the Movement Document for any notified waste shipments. Risk based checks will be carried out by Border Force in the same way as they are now.

**51. What are Transitional Simplified Procedures (TSP)? Do they apply only to imports? If so, what is being done for exports?**

TSP applies to imports to the UK. The government published [full guidance about TSP](#) on the internet some weeks ago which can be found [on the www.Gov.uk web page ‘HM Revenue and Customs simplifies importing from the EU as part of 'no deal' preparation’](#).

**52. What tariffs will be applied on different types of waste?**

In the event of a no-deal EU Exit, most waste exports to the EU could be subject to a tariff of 3 – 7%. The WTO and EU online databases provide a breakdown of tariff by material.

- [WTO tariff database](#)
- [European Union tariff database](#)

Operators are advised to contact the competent authorities in destination countries as different EU Member States may interpret tariffs (especially for RDF) differently.

**53. Dutch officials have suggested a 6.5% tariff will be applied to the transport costs of RDF exports. Would the exporter or importer pay this cost initially?**

We cannot comment on customs arrangements in other countries. However, information shared by the Dutch government on future customs arrangements can be found on the [Dutch government's website](#).

## Waste Site contingency planning

**54. What happens if a permit limit is reached?**

'No-deal' Brexit may cause disruptions on movements of green list waste not only for the ones exported to EU but transiting from sites to ports or simply to UK destinations. Would the EA consider?

- a) S2 exempted sites to store more material than the permitted 500t and also
- b) Allow permitted sites to store materials in different site areas than the one stated on the permit, and/or give flexibility for sites to store higher tonnage for longer than the one state on their permits (to be evaluated by local EA officers).

The use of the S2 exemption in this way would not be acceptable. S2 registrations last for three years so would not be a suitable mechanism for temporary arrangements that may be required for a very limited period. The registering of waste exemptions at already permitted sites is also unacceptable.

Permitted sites are encouraged to contact their regulator if they believe that they will need to store additional waste outside of their current permit conditions. Any decisions to agree changes to storage conditions will need to be made on a case by case basis and take into account any additional risk posed to health or the environment.

**55. Previously the EA has said it would show its discretion to fast track processes only for waste that had been due to be exported which no longer could. It would be good to understand how that process would work in advance, as for residual waste the need to address things fast could develop very quickly and all actors in such a process would need to know their roles early on.**

It is the responsibility of the waste holder to ensure that waste is managed properly. Waste exporters and the waste supply chain have been encouraged to contact their environmental regulator as early as possible if they believe that they will need permission for additional storage of waste. The Environment Agency will respond to requests on a case by case basis, ensuring that any additional storage does not pose an unacceptable risk to health or the environment. In the first instance operators should contact their local regulator.

**56. Has new guidance been issued to the regions in respect of how request for temporary permit changes ought to be managed in order that requests are dealt with in a consistent manner across the country?**

Local Environment Agency teams are able to take a Local Enforcement Position on requests to operate outside of permit conditions. Decisions will always be made on a case by case basis and will be dependent upon a number of factors including the waste type, the environmental risk and local circumstances. Operators of waste management sites have been encouraged to contact their environmental regulator as early as possible if they believe that they need to revise the limits in their permits.

## Animal by-products

### **57. What are the options for disposal of animal by-products (ABPs)? Is there sufficient capacity for this and what are the restrictions on landfilling this type of waste?**

ABPs are split into categories based on the risks associated with the material. Category 1 material is the highest risk and includes specified risk materials, zoo animals and pet species or catering waste from outside the EU. Category 2 materials are slightly lower risk and include fallen stock. Category 3 materials include carcasses (and parts of animals) slaughtered and fit for human consumption but are not intended for human consumption for commercial reasons etc.

Disposal options vary depending on the category of material. Disposal options could include incineration/co-incineration, rendering, pressure sterilisation followed by composting or biogas, and sent for production of pet food, with various requirements to be met depending on the category of the material.

There is currently sufficient disposal capacity but it is possible that following a no deal EU exit there will be an increased pressure on these disposal routes, and government is working with the industry to mitigate the impact and ensure capacity is prioritised to protect public and animal health.

ABP rules only permit the landfilling of highest risk (category 1 and 2) materials if they have been processed first by pressure rendering. Category 3 material can be landfilled after processing by any method and there are specific rules which permit landfilling of certain former foodstuffs and catering waste without prior processing.

## Landfill issues

### **58. Has the EA undertaken an update of their assessment of landfill capacity since the last Brexit deadline? Does that take into account of what needs engineering work to be operational has there been an update on available landfill capacity since the previous workshop in March?**

Estimates of available landfill capacity have been revised in September 2019. Available engineered (i.e. it is ready to use) capacity has increased substantially since March 2019.

General concern are related to landfill tax such as who will pay any additional costs? And what can Government do if landfill site operators raise fees?

**59. What will happen in Scotland if additional waste arises as a result of perishable goods being held up at ports? Scottish regulations will not allow biodegradable waste to go to landfill.**

The Scottish Government are working with stakeholders to prevent perishable goods becoming waste.

EU workers

**60. What can we do if we have a major issue in recruitment and retention of staff due to impacts of Brexit affecting our EU Staff?**

If your staff are an EU, EEA or Swiss citizen, they and their family can apply to the EU Settlement Scheme to continue living in the UK after 30 June 2021. Please check [www.Gov.uk](http://www.Gov.uk) for more information.

**61. The waste recycling industry has a higher than average level of workers from EU. What is the expected impact on their working conditions (think that this means the impact on permits/visas etc.)? How can companies help mitigate the impact, especially if there is a no-deal exit.**

Please see answer to question 60.

Haulier related issue

**62. What documents are required by hauliers?**

Entry Summary Declarations (ENS) will not be required for the first 12 month period for goods arriving in the UK from the EU and will then be phased in. This will give carriers and hauliers more time to prepare for their obligations.

Prepared traders and hauliers are less likely to cause disruption at the border, to address this Border Delivery Group is leading with traders and hauliers across Europe through bespoke Industry Days, focusing on the key topics of concern to that region engagements.

Operation Brock will also be in practice and more details can be found at this [link](#).

**63. Where are the pop-up points where hauliers can get advice before reaching the borders; and with main concerns voiced as disruption at ports around the Brexit date, what further work has the UK Government undertaken to address this (amount of customs checks, staff resources, space for doing the checks etc.)?**

Pop-up locations have been created to get hauliers ready ahead of entering the port. Approx. 100 sites planned across the UK and a further 50 across the EU locations. Pop-ups will provide information and advice to hauliers, largely based around content from the Hauliers Handbook.

The Get Ready for Brexit Campaign which in part focuses on advice/guidance to businesses about having the right documents, paperwork etc. Of most note, the Hauliers Handbook which provides guidance around the documents needed to move goods across the border.

Discussions continue to take place between HMG officials, Local Resilience Forums and Ports to manage delays and disruption, both in Kent but across other UK locations.

**64. A copy of the movement document shall be delivered by the carrier to the customs office of export and customs office of exit from the Community however what is the method of delivery of the document? Paper form or electronically?**

Paper form as this has to be stamped and sent off to the relevant authority by the Customs official.

Impacts on Local Authorities

**65. Have Defra and Delivery bodies been working with the Local Authorities to do scenario planning?**

Engagement is taking place with Local Authorities where Statutory Instruments directly impact on their functions or responsibilities

**66. Who will pay for extra costs such as landfill fees for waste?**

The responsibility for payment of extra costs, such as additional transport and landfill fees, will depend on the original contracts. This is a market issue. It isn't something that Government has committed to intervene on.

**67. From a local authorities perspective it would be interesting to know whether the effects of a hard Brexit on waste services would be seen as equivalent to a new burden for local authorities, and if not why?**

No, any impact on local authorities (LAs) waste services from a no-deal Brexit, would not be seen as a new burden as it's not a new statutory duty being imposed on LAs. LA waste services are already subject to price changes from market fluctuations, for example the China waste import ban and more recently restrictions on RDF imports to the Netherlands. Government is not planning on making any additional funding available at this time.

## Future Relationship with EU countries

### **68. What will Defra do to develop relationships with its counterparts in EU countries on an individual basis in the future?**

In the event of a no deal, we will be looking at beginning negotiations as soon as possible to determine our future economic partnership with the EU. Additionally, we will continue to work in line with international commitments on waste.

### **69. Where can we get information on the hold-ups in other countries after Brexit? If there are hold-ups in other countries, does not matter how prepared UK is.**

Contingencies are in place for leaving the EU without a deal. Most planning focuses on the risks presented by possible delays and disruption at ports, and the subsequent implications for the waste sector. We are confident that there are no domestic legislative or administrative barriers to prevent the normal movement of waste when we leave the EU.

The Border Delivery Group (BDG) has worked with departments to collect information on 19 priority MS locations to assess the level of preparedness for a no deal scenario, this information has been fed into analysis and modelling of potential disruption. Since a number of ferry operators have indicated that they will be turning away unready HGVs we assume that this will mitigate the risk of queues and congestion for UK-EU freight at MS ports, however, depending on local plans to manage traffic congestion and unready HGVs in the UK, there could be queues and delays at UK ports with high volumes of EU exports.

BDG have also been running a series of EU Industry Days with other departments bringing together traders and businesses from across the UK and EU to discuss end-to-end processes to help ensure goods can continue to be transported efficiently across UK and EU border locations.

### **70. Could border delays impact other exports?**

Border delays could impact other exports, e.g. products of animal origin and in very extreme cases other perishable goods exceeding their use by dates, which then may become waste. If ports start to become blocked, perishable goods would likely build



up at their points of production across the UK rather than at the ports, while alternative domestic markets are found.