



**REPÚBLICA
PORTUGUESA**

NEGÓCIOS ESTRANGEIROS

**PREPARATION AND CONTINGENCY PLAN
FOR THE DEPARTURE OF THE UNITED KINGDOM FROM THE EUROPEAN
UNION**

Lisbon, 17 January 2019

www.amsa.pt amsa@amsa.pt

© 2019

Page nr. 1

INDEX

I - INTRODUCTION

- 1) Framework
- 2) Impact of Brexit in Portugal on the lives of citizens and economic activity

II - PREPARATION PLAN

- 1) Preparation at European Union level
- 2) Preparation at national level
 - 2.1. Rights of citizens
 - a) Protection of the rights of Portuguese citizens in the United Kingdom
 - b) Protection of the rights of British citizens in Portugal
 - 2.2. Economic agents and investment
 - a) Support for Portuguese companies
 - b) Investment attraction
 - c) Tourism and other sectors
- 3) Communication and institutional consultation

III - CONTINGENCY PLAN

- 1) Contingency plan at European Union level - framework
- 2) Protection of citizens' rights
 - 2.1. Right of residence
 - 2.2. Coordination of social security
 - 2.3. Other matters relating to citizens
- 3) Economic Activity
 - 3.1. Financial services

3.2. Air Transport

3.3. Road Transport

3.4. Maritime Transport and Ports

3.5. Customs and Export of Goods

3.6. Climate Policy

3.7. Tourism

3.8. Other Sectors

IV - ANNEXES

1) List of contingency seminars organized by the European Commission

2) List of Notices published by the European Commission

3) Table of legislative proposals of the European Commission: proposals for regulations and decisions

4) Table of legislative proposals of the European Commission: proposals for implementing acts and delegated acts

5) List of proposals for legislative acts of the European Commission annexed to the Communication of the European Commission of 19 December

I - INTRODUCTION

1) Framework

On 29 March 2017, the United Kingdom (UK) announced its intention to leave the European Union (EU) in accordance with Article 50 of the Treaty on European Union. Thus, unless unforeseen events, on 29 March 2019, at 11 pm Lisbon, the UK will cease to be a member of the EU, becoming a third country. This change will have important consequences in the lives of citizens, businesses and public administration, and it is necessary to prepare and adopt measures to ensure the best possible transition to this new reality.

The European Union and the Portuguese Government have always remained firmly committed to achieving an Exit Agreement to allow an orderly exit of the UK from the EU.

Following a long negotiation between the EU and the UK, the European Council, Article 50¹ of November 25, 2018, approved the texts of the "United Kingdom Exit Agreement" and the "Declaration Policy on the future relationship"². This Agreement provides for an exit from the UK on the terms agreed by both parties, providing for a transitional period until 31 December 2020.

Notwithstanding, the British Parliament rejected the January 15, 2019, the Exit Agreement by 432 votes against and only 230 in favor, sharpening the outcome of the uncertainty scenario of exit conditions of the United Kingdom from the European Union, increasing the likelihood of a UK exit from the EU without an agreement between the two parties.

This is the least desirable scenario and requires the acceleration of preparation and contingency, as the UK will not only cease to be represented in all European institutions, agencies and bodies as of 30 March, as there will be no transition period. The European acquires will no longer apply to the UK in its entirety, and the jurisdiction of the EU Court of Justice will also cease.

An exit from the UK of the EU without an agreement will thus require the implementation by the EU and the Member States of temporary and rapid implementation at political, economic, administrative, legislative and communication level.

To this end, on 13 November 2018, the European Commission adopted a Communication entitled "Preparing for UK exit from the EU on 30 March 2019 - Contingency Action Plan" - identifying the priority sectors to be taken into account. The European Council Article 50 of 13

¹ European Council meeting with all Member States except the United Kingdom.

² https://www.consilium.europa.eu/media/37095/draft_withdrawal_agreement_incl_art132.pdf
<https://www.consilium.europa.eu/media/37059/20181121-cover-political-declaration.pdf>

December 2018³ called for "intensification of preparatory work at all levels for the consequences of leaving the UK, taking into account all possible outcomes".

On December 19, 2018, the European Commission announced that it would begin to implement its contingency action plan in six areas considered (i) citizens; (ii) financial services; (iii) air transportation; (iv) road transport; (v) customs and export of goods; and (vi) and presented 14 legislative proposals.

For two other sectors that had been identified as a priority, (i) sanitary and phytosanitary requirements and (ii) personal data, the European Commission did not yet present proposals for measures with respect to the first and, in relation to the second, considered that a European data legislation "contains a wide range of tools for the transfer of data to third countries".

In its Communications, the European Commission has also warned of the need for Member States to provide for the allocation of human resources (such as official customs and veterinary officials) and the creation, adaptation or reinforcement of infrastructure (eg at ports and airports) in their preparedness and contingency plans.

It should also be noted that there is a possibility of EU technical assistance in certain areas such as customs, sanitary and phytosanitary controls and agriculture, as a means of supporting Member States in the process of adaptation to exit the of the UK from the EU.

It should be recalled that preparation and contingency activities, as repeatedly stressed by the EU, should be the result of a joint effort involving the European, national, regional and local levels, as well as economic operators and citizens. For a true preparation and for mitigation of impacts, all actors must assume their responsibilities.

With a view to facilitating the coordination of preparedness and contingency measures envisaged at European Union level and at national level, the European Commission has been promoting, since 15 November 2018, a series of seminars which will continue during the current month of January. The list of these Seminars is given in Annex 1.

It should be stressed that national measures should be defined in coordination and complementarity with the European Commission and with the other Member States, with a view to maintaining unity at 27 and avoiding a dispersion of responses and consequent fragmentation of regimes.

³ <http://data.consilium.europa.eu/doc/document/XT-20022-2018-INIT/pt/pdf>

At this stage, the European Commission recommends that Member States do not start bilateral negotiations with the UK.

This document thus corresponds to the objective of identifying the preparation and contingency measures for the rights of citizens, economic agents and investment that the Portuguese Government intends to adopt in order to minimize the effects and consequences of the exit of the UK from the EU.

Nothing in these measures should condition or anticipate those which may be adopted, either in the future relationship of the UK with the EU or between Portugal and the UK.

Once the preparatory and contingency phases have been completed, the Government will coordinate another exercise to identify issues and measures that will ensure a future relationship, as extensive and in-depth as possible, which can only be negotiated when the UK is effectively a "third country".

This document is a plan; will be subject to adjustments and updates arising from the evolution of the situation.

2) Impact of Brexit in Portugal on the lives of citizens and in the economic activity

The number of Portuguese citizens currently residing in the United Kingdom is estimated at 400 000 being the 9th foreign national group in that country. The United Kingdom is the 8th country in the world where most Portuguese people live.

For its part, the British community residing in Portugal is composed of 22,431 individuals. It is the 6th largest group of foreign residents in our country (after Brazil, Cape Verde, Ukraine, Romania, China, having surpassed Angola), occupying the 3rd place in the communities of European origin and the 2nd among EU countries.

The exit of the UK from the EU would have, without exit agreement or without contingency measures in the case of an exit without agreement, inevitably a severe impact on the continuity of residence status, protection of social rights, and access to healthcare, recognition of academic and professional qualifications, among others. This preparation and contingency plan provides for the timely adoption of all necessary measures to avoid such a scenario and to ensure that under no circumstances will citizens be prejudiced in their rights by Brexit.

In economic matters, the importance of the United Kingdom as a trading partner of Portugal is unavoidable. The strong historical ties that unite the two countries contributed to the creation of a solid economic-commercial relation.

Over the last few years, the United Kingdom has maintained a stable position as our 4th customer and 8th supplier of goods and as regards the trade in services it has also taken on the role of our first export market as a result of the exceptional performance of our tourism service industry (57.7% of the total in 2017).

The value of Portuguese exports to the United Kingdom surpassed 8 billion euros in 2017 and the bilateral trade balance year after year shows positive figures, recently reaching a balance of more than 4.5 billion euros. In 2017, the United Kingdom's weight in national exports amounted to around 9.6%, and more than 2,800 Portuguese companies, from the most varied sectors, sought out the one that is today the 7th market with the greatest number of national economic operators with sales of goods abroad - only surpassed by Spain, Angola, France, Switzerland, Germany and USA (AICEP, 2018).

The importance of the United Kingdom as the country of origin and destination of foreign direct investment is also essential, totaling at the end of 2017 the accumulated (stock) direct investment between the two countries more than 3.4 billion euros in assets and 11 billion euros in liabilities, maintaining Portugal as a privileged destination of British IDE.

In the case of tourism, the importance of the UK market in the national economy (1.9 million guests and € 2,591 million in revenue generated by British tourists in 2017) is unequivocal, being the main market with 15.3% of the share in external demand and 17.1% of total revenues in 2017. For Portugal, it is therefore important to ensure conditions to maintain the flow of British tourists after Brexit.

Whatever the situation in Brexit may be, the consequences for the national economy are inevitable - either because of the risk of economic slowdown or because of the imposition of an adjustment of trade flows.

The main scenarios were analyzed in the recent "Brexit Study - The Consequences for the Portuguese Economy and Companies", timely undertaken by the Portuguese Business Confederation - CIP, which concluded that, in the medium to long term, the relationship between the UK and the EU could result in potential reductions in national exports between 15% and 26% depending on the type of business relationship that may be established. Notwithstanding, Brexit may generate new business opportunities for our companies.

PREPARATION PLAN

II - PREPARATION PLAN

1) Preparation at European Union level

Preparation means the need to anticipate all possible scenarios and assess the associated risks, planning responses and responding to all situations that may arise as a result of the UK leaving the EU.

The European Commission has published three Communications on preparation and contingency⁴, respectively, on 19 July, 13 November and 19 December 2018.

As part of its preparatory activities, the European Commission has published more than 80 sectoral notices with the aim of disseminating information to all the actors involved. These notices cover all areas of European competence in a wide range of economic sectors and have been drawn up by the Directorates-General of the European Commission with the aim of helping citizens and market players to prepare themselves. The complete list of Notices can be found on the European Commission⁵ website and in Annex 2 of this document.

Opinions and recommendations were also published by four decentralized Union Agencies (Community Plant Variety Office, European Chemicals Agency, European Medicines Agency and Intellectual Property Institute of the European Union), as well as by the three European supervisory bodies (European Banking Authority, European Securities and Markets Authority and European Insurance and Occupational Pensions Agency) and by the Single Supervisory Mechanism.

In its Communication of 13 November 2018, the European Commission identified the need to adopt eight legislative proposals and 18 implementing acts and delegated acts, irrespective of whether the UK exits the EU with or without an Exit Agreement (see Annexes 3 and 4).

The adoption of legislative measures requires compliance with requirements and deadlines, including consultation with national parliaments, which have eight weeks to review their proposals. In turn, the normal procedure for adopting the delegated acts is about three months and the implementation acts of one month. In any case, and even with a different degree of intervention, the member states are called to participate in their decision-making processes.

⁴ https://ec.europa.eu/info/brexit/brexit-preparedness/other-preparedness-activities_en

⁵ https://ec.europa.eu/info/brexit/brexit-preparedness/preparedness-notices_pt

2) Preparation at national level

Preparation of measures have been identified and planned from the notification by the UK of its intention to leave the EU, and especially from 2018.

In its preparation for the various scenarios, the Portuguese Government actions have been guided by two main priorities:

- Protection of citizens' rights;
- Technical and financial support to economic agents, ensuring the dissemination of information and the promotion of clarification actions among the national business community, as well as creating conditions to minimize the potential economic impacts on Portuguese companies and increase their capacity to adequately respond.

In preparation for Brexit, 18 interministerial meetings have been held to date: meetings of the Interministerial Committee on European Affairs at political and technical level; and meetings of Brexit focal points. These meetings dealt with both the entry into force of the Exit Agreement and an exit from the United Kingdom without an Agreement, and had the following objectives: (i) identify legislative and regulatory changes that will be necessary to address the consequences of Brexit, as well as the time required for its approval; (ii) identify agreements that will need to be (re) negotiated at EU level and at bilateral level between Portugal and the United Kingdom; (iii) identify other necessary measures, such as strengthening human, logistical and technological resources; (iv) maintain ongoing dialogue with key stakeholders (citizens in the UK, business and social partners); and (v) efficiently execute the necessary public communication, disclosure and information about Brexit.

Considering that this is the first time that a Member State intends to leave the EU, and recognizing the complexity of Brexit, a Special Representative of the Minister for Foreign Affairs for Brexit has been appointed.

2.1. Rights of citizens

a) Protection of the rights of Portuguese citizens in the United Kingdom

With regard to the citizens and first and foremost the Portuguese citizens in the UK, 15 information sessions were held by the Consulates General of Portugal in London and Manchester for the Portuguese community resident in the United Kingdom between March and December 2018, covering the following locations: Thetford, in the Norfolk region (March 17); Armagh City, Banbridge and Craigavon, Northern Ireland (May 5); Lambeth, the city of

London (May 9); Dungannon, Northern Ireland (June 2); Bridgewater (June 23); Peterborough (July 8); Southhall (July 12); Crawley (July 14); Leicester (July 21 and December 12); Bishops Stortford, Hertfordshire (October 13); and Manchester (December 16). The Consulate General of Portugal in London also participated in three information sessions in the European Commission Representation in London in the days February 27 and 19 and October 29, 2018.

In all the sessions, which had a great participation of the Portuguese community, an introduction was made to the theme of the Portuguese status in the UK, informative videos of the European Union were exhibited on the subject and a period for questions and answers was set aside in direct interaction with the audience.

In addition to these information actions with the Portuguese community, the Consulates-General of London and Manchester have been involved in the preparation of the Settlement Scheme process in collaboration with the British authorities, as well as the specific adoption of a set of measures:

- Regular and continuous information on developments concerning Brexit (mainly legislative and administrative) through the websites and Facebook of consular posts, as well as the creation of electronic addresses dedicated to the issue of Brexit;
- Specific affectation of consular officials for attendance on issues related to Brexit;
- Face-to-face assistance for clarification of doubts and support in completing forms to obtain permanent residence or registration certificate.

The Consulate-General in London has created a specific e-mail account for information dissemination and clarification of doubts (brexit.cglondres@mne.pt), and has kept the Portuguese community always informed through its websites (www.cgportugalemlondres.com) and Facebook⁶.

The consular post has also been providing support in obtaining the status of permanent resident ("EU settled status") and in identifying the necessary documentation.

The Consulate General in Manchester has also created an email account dedicated to issues of Brexit (brexit.manchester@mne.pt).

For 2019 are already scheduled a set of 35 consular presences in 16 different destinations, mobilizing human resources over 93 days: Great Yarmouth, Thetford, Plymouth, Hamilton, Bermuda, St. Helier- Jersey, Peterborough, all in dependence of the Consulate General in

⁶ <https://www.facebook.com/ConsuladoPortugal-Londres619176831526397/>

London; and Portadown (Northern Ireland), Cardiff and Wrexham (Wales), Edinburgh, Aberdeen and Glasgow (Scotland), Grantham, Leicester, Newcastle and the Isle of Man, all in dependence of the Consulate General in Manchester, in the course of which issues related to Brexit will be addressed.

b) Protection of the rights of British citizens in Portugal

An information campaign is being prepared for the British community living in Portugal on the right of residence, with the production of an information leaflet⁷ that will be published in joint actions organized with the British Embassy in Lisbon. The information will also be disclosed in the Diplomatic Portal of the Ministry of Foreign Affairs and the website of the Aliens and Borders Service (SEF).

This campaign will also be extended to information on the applicable rules on social security.

Based on the establishment of the number of UK citizens residing in Portugal, SEF relocated structures will be prepared in places with a higher incidence of British residents, where it is expected to allocate human, material and technological resources, with a view to regularizing their documentary situation.

The passage from the UK to the third country condition requires additional procedures, such as those provided for in the Schengen Borders Code, in the control of entry and exit of British nationals from the national territory. Also in this context, it will be necessary to adapt the sites and training of the entities with responsibility for border control in order to provide an adequate response to the increase in the number of citizens subject to control (airports, ports).

For British citizens registered in the Portuguese voter register, and in accordance with the coordinated approach recommended by the European Commission, the Electoral Administration will notify British citizens and census commissions of the suspension of their registration on the electoral rolls.

Portugal will create all conditions for British citizens residing in Portugal to maintain their residence here. And all those who want to visit us or live here will be very welcome.

In this regard, the following programs will be strengthened to attract British and Portuguese citizens currently residing in the UK in the areas of higher education, research and innovation:

⁷ https://imigrante.sef.pt/wp-content/uploads/Folheto_Brexit_PT.pdf

- "Stimulus Program for Scientific Employment" of the Foundation for Science and Technology to mobilize the capacity to attract PhD researchers, mainly researchers at the beginning of their careers;
- "Chairs Program" of the Foundation for Science and Technology with a view to increasing public and private funding in Portuguese higher education institutions for the hiring of high-level international teachers / researchers;
- Initiative "Study and Research in Portugal" in order to attract foreign students to national higher education institutions.

2.2. Economic agents and investment

a) Support of Portuguese companies

In order to prepare companies for the possible scenarios, the Portuguese Government, together with economic agents, has been developing various information initiatives throughout the country.

In 2017, the Secretary of State for European Affairs and the Secretary of State for Internationalization held a meeting with the ten leading Portuguese exporting companies for the British market in order to discuss the risks and opportunities arising from Brexit namely on foreign trade and investment, and better understand the perspective of Portuguese companies regarding this process.

AICEP in 2018, in addition to its permanent commercial promotion and funding of structuring and productive investment (through its delegation in London and its commercial services), in conjunction with the Ministry of Foreign Affairs, the Ministry of Finance and the Ministry of Economy, and with the participation of several Business Associations, several seminars "BREXIT - Opportunities and Challenges for Business", which took place in Lisbon (June 25), in Oporto (June 27) in Leiria (October 17), in Leça da Palmeira (October 18) and in Aveiro (November 28), covering different sectors of activity – food industry, Fashion - Textiles, Clothing and Footwear and automobile. In October 2018, a meeting of the Strategic Council for the Internationalization of the Economy was held, where the economic consequences of Brexit were analyzed with the various participants. As early as 2019, a second meeting of this Council took place, analyzing possible preparedness and contingency measures, and a Committee was set up to monitor the contingency plan in the area of economic agents and investment (between Government and Associations).

In 2019, the agency will continue the cycle of seminars to publicize the potential commercial implications of Brexit, maintaining a sectorial and geographical logic that allows interaction with a maximum of Portuguese companies, and will carry out publicity actions in the UK specialized press as well as a second high-visibility economic forum in London. During the first quarter, actions are planned for the Health sector (second half of January), Financial Services (scheduled for February) and Tourism (March 15, 2019 in Lisbon).

In addition to sector-wide dissemination actions, AICEP will provide specific support to companies through its Export Stores, its Contact Center and its Digital Service for the clarification of questions related with the Brexit process and for the publication of "Frequently Asked Questions".

In order to minimize the impact on Portuguese companies, the Portuguese Government will also provide technical and financial support for the preparation of companies and economic agents for the exit of the United Kingdom from the European Union, in particular through the following measures:

- Provision of specialized support in close proximity to SMEs that have commercial relations with the UK in order to minimize the potential economic impacts that may arise from Brexit through the Business Support Centers (CAE) of IAPMEI - Agency for Competitiveness and Innovation, IP, distributed by 12 districts of the country, in collaboration with the Directorate General of Economic Activities of the Ministry of Economy.
- At the same time, IAPMEI will also implement mechanisms for the dissemination of personalized information on digital platforms, as well as a series of briefings to the national business community, in particular SMEs.
- Creation of a specific line of support for companies with exposure to Brexit, with an overall amount of 50 million Euros, which can be strengthened in line with the effective demand, which will aim to address the market failures identified in the operations financing by companies, preferably SMEs, with exposure to the United Kingdom market, and demonstrating financing needs (investment or working capital) related to strategies to respond to Brexit;

- Creation of a financial incentive to provide Portuguese companies with support in the elaboration of a diagnosis and in the definition of a plan of action to respond to the challenges and opportunities of Brexit.

b) Investment attraction

The MFA conveyed strategic guidelines to AICEP to scrutinize the opportunities emerging from the UK option to leave the European Union and, in line with this orientation, to strengthen the external network of AICEP in London in conjunction with Turismo de Portugal and the Mission Portugal In.

Indeed, to meet the inevitable changes that the UK's departure will bring the paradigm of economic relationship of this country with Portugal, it was created in April 2017, Portugal Ina Task Group that, in addition to the investment adjustment activity developed by AICEP in the UK market, aims to identify opportunities in this field, to establish contacts with potential investors who wish to remain in the EU after leaving the UK and to accompany the implementation of foreign direct investment projects, including in the tourism sector.

During the last two years, the Portuguese Government has carried out several actions to support the internationalization of the Portuguese economy, to attract investment and to promote Portugal in the British market:

- The Secretary of State for Internationalization went to the United Kingdom in September 2017 to support the participation of Portuguese companies in international fairs and for prospective actions together with companies in sectors such as information technology, Fintech, telecommunications and real estate.

- The "Portugal UK Economic Forum" was held on 11 April 2018 in London, attended by the Prime Minister, the Minister of Economy and the Secretary of State for Internationalization.

- In October 2018, the "Portugal In London" campaign was held during a week of actions to promote Portugal in the United Kingdom.

- On 10 December 2018 an action was taken to promote Portugal as a destination for UK investment management companies wishing to open subsidiaries in the European Union and thus to continue to have access to the single market after leaving the United Kingdom of the European Union .

It is planned to create the "Brexit Counter" in the Business Spaces in Portugal for companies from the United Kingdom that want to relocate headquarters or open a branch in Portugal, with acceptance of documents in English and integrated treatment of the process of incorporation of companies.

AICEP will publish in the Financial Times in a date yet to be defined a promotional supplement of Portugal, with the view to attract investment,.

c) Tourism and other sectors

At the level of Tourism, it is important to ensure the greatest possible stability in the travel of British tourists and to reinforce the image of Portugal as a tourist destination in the United Kingdom, betting on the traditional offer, but also in new niches such as health tourism and the MICE segment, (Meetings, Incentives, Conferences and Exhibitions). The necessary actions will be implemented so that there is minimal disturbance in the travel of the citizens of the United Kingdom to Portugal. It will therefore be important to ensure the continuous monitoring of tourist flows. An online customer service area will be set up for information to British tourists and operators and a specific promotion campaign will be developed in the UK.

In the area of customs control, the training of customs services and sanitary and phytosanitary control, including the allocation of human and technological resources, will be necessary.

In the area of financial services, coordination with the relevant regulators (Banco de Portugal, CMVM, Insurance and Pension Funds Supervision Authority, IMT, ANAC) will also be required.

Summary table of national preparedness measures

Intervention area	Measures to adopt	Governance Area
Citizens	Accomplishment of 35 consular posts in 16 different destinations in the UK	Foreign Affairs
	Information campaign for the British community resident in Portugal on the Right of Residence.	Foreign Affairs Internal Affairs

	Information campaign addressed to citizens on applicable social security rules.	Labor, Solidarity and Social Security
	Allocation of material and technological human resources in places with delocalized structures of the Foreigners and Borders Service.	Internal Administration
	Strengthening of human and material resources at borders (airports and ports).	Internal Administration
	Notification and suspension of British citizens from the electoral rolls.	Internal Administration

Intervention area	Measures to adopt	Governance Area
Higher education, Research and Innovation	Reinforcement of the "Scientific Employment Stimulus Program" of the Foundation for Science and Technology, aimed at mobilizing the capacity to attract PhD researchers, mainly researchers at the beginning of their careers.	Science, Technology and Higher Education
	Reinforcement of the "Chairs Program" of the Science and Technology Foundation to increase public and private funding in Portuguese higher education institutions for the hiring of	Science, Technology and Higher Education

	high level international teachers / researchers.	
	Strengthening of the "Study and Research in Portugal" initiative to attract foreign students to national higher education institutions	Science, Technology and Higher Education
Customs	Training of customs services and sanitary and phytosanitary control, including the allocation of human and technological resources.	Finances Agriculture, Forestry and Rural Development
	Providing information to SMEs in customs services on measures relating to the exit from the EU of the UK	Finances
	Creation of a link in the Finance Portal with information content on the tax implications for national economic agents arising from the departure of the UK from the EU	Finances
Regulators	Coordination with relevant regulators (Banco de Portugal, CMVM, Insurance Supervision Authority and Pension Funds, IMT, ANAC).	Finances Planning and Infrastructures
Companies	Information sessions with economic sectors that have not yet been covered by the AICEP seminars.	Foreign Affairs Economy
	Publicity actions in the UK	Foreign Affairs

	specialized press.	Economy
	Second high-profile economic forum held in London	Foreign Affairs Economy
	Involvement of AICEP Export Stores as "Brexit service counters".	Foreign Affairs
	Operation of the Contact Center and the Digital Assistance tool of AICEP to support and clarify the implementation of measures related to Brexit	Foreign Affairs
	Consultations with business, commercial and industrial associations.	Foreign Affairs Economy
	Dissemination of support available to SMEs who have business relations with the United Kingdom through IAPMEI's Business Support Centers (CAE).	Economy
	Implementation by IAPMEI of mechanisms for dissemination of personalized information on digital platforms and clarification sessions.	Economy
	Creation of a specific line of support for companies with exposure to Brexit with an overall amount of 50 million Euros	Foreign Affairs Economy Finances
	Creation of a financial incentive to provide	Foreign Affairs Economy

	Portuguese companies with support in the elaboration of a diagnosis and in the definition of a plan of action to respond to the challenges and opportunities of Brexit.	Finances
--	---	----------

Intervention area	Measures to adopt	Governance Area
Fisheries	Creation of support service to clarify the doubts of business owners, ship owners and fishermen	Sea
Investment Attraction	Creation of the "Brexit Balcony" in the Business Spaces in Portugal for UK companies that want to relocate their headquarters or open a branch in Portugal.	Foreign Affairs Economy Portugal In
	Publication of a promotional supplement from Portugal with a view to attracting investment in the Financial Times.	Foreign Affairs
	In the light of Article 123a of the Law of Foreigners, permit the granting of a residence permit to directors or employees of companies established in the UK that establish their headquarters or principal place of business in Portugal, provided that they already	Foreign Affairs Economy Internal Affairs

	have a residence permit or valid residence permit in the UK.	
	Preparation of a special plan to promote in the UK tourism in Portugal and attract investment.	Foreign Affairs Economy
Tourism	Establishment of an information channel VisitPortugal relationship with the British consumer	Foreign Affairs Economy
	Carrying out information actions for British operators regarding changes in the provision of services.	Foreign Affairs Economy
	Continuous monitoring of UK tourism flows and their impact.	Economy
	Creation of an online service area for information to British tourists.	Economy
Justice	Ensure continuity of police and judicial cooperation channels on civil and criminal matters.	Justice

It should be noted that in an exit scenario without agreement, the implementation of the measures mentioned above should be accelerated.

3) Institutional communication and consultation

The preparation for Brexit has had an important segment of communication, information and awareness, aimed at target audiences more vulnerable to the potential negative effects of Brexit, especially in the scenario without an Exit Agreement, such as Portuguese citizens residing in the United Kingdom, companies and social partners, or aimed at citizens in general.

The Parliament, and in particular the Committee on European Affairs, has been regularly informed about the preparation for Brexit in the framework of the Ministerial hearings of the Minister for Foreign Affairs at the debriefing hearings by the Secretary of State for European Affairs after the meetings of the Council and in the framework of the bi-weekly and preparatory debates of the European Council meetings with the Prime Minister.

More generally, through its public interventions, the Minister for Foreign Affairs, the Secretary of State for European Affairs and the Secretaries of State of the Portuguese Communities and Internationalization have ensured the communication on Brexit with the public opinion, and in particular with the most interested public and private actors.

On the occasion of his visit to Portugal, on 25 May 2018, the chief negotiator for Brexit of the European Commission, Michel Barnier, took part, together with the Minister of Foreign Affairs, in the "Meeting with Citizens" on "A Europe and Brexit: What future? ".

There are also two meetings of the Social Dialogue Council on Brexit and the subject has been discussed in the dialogue with the social partners in the framework of the regular meetings that the Prime Minister holds before the meetings of the European Council. In this context, it was decided to set up a joint monitoring group on Brexit issues.

As already mentioned, there were also two meetings of the Strategic Council for the Internationalization of the Economy, in which a monitoring group was also set up.

It is also worth mentioning the creation of a segment dedicated to Brexit in the Diplomatic Portal of the Ministry of Foreign Affairs⁸, through which the Sectoral Announcements published by the European Commission have been disclosed, an important part of which is translated into Portuguese.

For further information, the following European Commission documents can be consulted:

- "Questions and answers - the rights of citizens of the European Union and the United Kingdom provided for in the Exit Agreement" published on 26 November 2018:

https://ec.europa.eu/commission/sites/beta-political/files/2018-11-26_qa_citizens_rights_pt.pdf

⁸ <https://www.portaldiplomatico.mne.gov.pt/politica-externa/brexit>

- "Questions and Answers: the consequences of the United Kingdom leaving the European Union without a ratified Withdrawal Agreement (no deal Brexit):

https://ec.europa.eu/info/sites/info/files/contingency-qanda_en.pdf

CONTINGENCY PLAN

III - CONTINGENCY PLAN

1) Contingency plan at European Union level – framework

The Communications of the European Commission of 13 November and 19 December 2018 are the documents of guidance for the adoption of contingency measures in the event of an exit of the UK from the EU without an Agreement, where all primary and EU derived law will cease to apply to the UK on 30 March 2019.

In exceptional circumstances, such Communications enunciate, in the interest of citizens and for the protection of the vital interests of the EU and the Member States, certain contingency measures to mitigate significant disturbances in strictly defined areas, as well as the general principles that these measures must respect, as follows:

- Contingency measures should not reproduce the benefits of joining the Union, or the terms of any transitional period provided for in the Exit Agreement;
- Contingency measures will generally be of a temporary nature;
- Contingency measures will be adopted unilaterally by the EU in the pursuit of its interests and can therefore in principle be abolished by the Union at any time;
- Contingency measures should be taken in accordance with the division of competences provided for in the Treaties and with the principle of subsidiarity in the EU;
- National contingency measures should be compatible with EU law, including the Union's international obligations;
- Contingency measures do not compensate for delays that could have been avoided by timely taking preparatory steps by interested parties (stakeholders).

In its Communication of 19 December 2018, the European Commission announced the start of the implementation of its Contingency Action Plan for the Brexit scenario without an Exit Agreement. This Communication met the commitment made by the European Commission to propose by the end of 2018, all legislative proposals necessary for such a scenario and to adopt all delegated acts.⁹

In this context, the European Commission announced the implementation of a package of 14 measures in a limited number of areas where a departure from the UK without

⁹ The Commission intends to submit by 15 February 2019, for voting in the relevant committees, all draft implementing acts required.

agreement would create major disruption for citizens and businesses in the EU-27 (see Annex 5). These areas include citizens' right of residence and coordination of social security, financial services, air and road transport, customs and export of goods and climate policy. The implementation of said Contingency Action Plan takes into account articulation with the member states.

2) Protection of citizens' rights

In the course of the negotiations on the Exit Agreement and the Political Declaration with the UK, both the European Commission and the Member States have placed the protection of citizens' rights at the top of their understanding that they should not "pay the price" of Brexit.

Prime Minister May made a commitment to ensure, even in the context of an exit without agreement, that EU citizens' rights in the UK are similarly protected by the agreement. Following the publication on 6 December 2018 of the British Government's policy paper on citizens' rights in the eventual scenario of a non-agreement exit, this commitment is expected to be formalized in order to ensure legal certainty for citizens.

With regard to UK citizens living in the EU and who would be subject to EU rules and national rules on third-country nationals in an exit scenario without an agreement, the European Commission recommends to Member States "a generous approach". To this end, Portugal, as well as the other Member States, should implement pragmatic administrative and / or legislative measures to guarantee temporary residence rights or to recognize pre-existing residence documents.

As already mentioned, the European Commission has already adopted a proposal for a Regulation to exempt UK citizens from the requirement to apply for short-stay visas, provided there is reciprocity on the British side.

In terms of contingency, the following aspects have been identified:

2.1. Right of Residence

Guidelines of the European Commission	Government Area	Concrete measures to be taken
<p>Member States shall take measures, in accordance with Union law, to ensure that all United Kingdom nationals legally residing in a Member State on 29.03.2019 continue to be considered as lawful residents of that Member State without interruption. The European Commission considers that periods of legal residence of British nationals in a Member State of the EU-27 prior to departure should be considered as periods of legal residence within the meaning of Directive 2003/109 / EC on the status of third-country nationals long-term residents.</p>	<p>Internal Affairs</p>	<p>If the Settlement Agreement does not enter into force, there will be no transitional period whereby the right to acquire residency status will apply to all UK nationals who arrive in Portugal or can prove that they were resident in the country until 03.23.2019;</p> <p>All citizens of the United Kingdom and their family residing in Portugal on that date will have until 31.12.2020 to request the issuance of the new residence document.</p>
<p>Member States should be prepared to issue residence permits to United Kingdom nationals concerned as proof of legal residence and right to work. Member</p>	<p>Internal Affairs</p>	<p>Adoption of a legislative act falling within the remit of the Parliament, of temporary validity (between 30.03.2019 and 31.12.2020), which</p>

<p>States, particularly those hosting the largest number of such nationals, are invited to take a pragmatic approach in accordance with Union law and issue temporary residence documents until final residence permits can be issued. In order to take into account the specific situations in each Member State, a number of technical options may be used, such as national legislative measures, the issue of temporary documents or the recognition of pre-existing documents.</p> <p>The European Commission also supports the Member States in coordinating their actions in the fields of competence of Member States in order to ensure a coherent approach to the protection of citizens' rights.</p> <p>Given the size of the</p>		<p>enshrines the rights of British citizens.</p>
--	--	--

<p>administrative challenges facing national and local authorities, and to avoid administrative delays, the European Commission recommends that Member States accept that applications for residence permits be submitted before the date of departure from the United Kingdom.</p>		
---	--	--

In this area, the following specific measures will be taken at national level:

National contingency measures	Government Area	Status
<p>In case of exit without agreement, the Portuguese entering the United Kingdom by 29.03.2019 may adjust their situation until 31.12.2020.</p> <p>In order to respond to increased requests, an additional support plan was developed for the functionalities of the Portuguese consular posts in the United Kingdom (London and Manchester), through the reinforcement of technical and human</p>	<p>Foreign Affairs Presidency and Administrative Modernization Justice</p>	<p>The additional support plan for the functionalities of consular posts in the United Kingdom is being implemented with speed, and with particular attention to the following functions:</p> <ol style="list-style-type: none"> 1. Improvement of the capacity of service of consular services in the United Kingdom; 2. Reduction of waiting time for birth records, citizen card applications and passport;

resources that guarantee all national citizens the service of your requests quickly.		<p>3. Strengthening the technical means available to consular services;</p> <p>4. Increased telephone service capacity and response to electronic requests;</p> <p>5. Start-up of the Brexit + telephone support line in the framework of the Consular Assistance Center (CAC).</p>
Information campaign with British citizens residing in Portugal on their rights after the exit of the United Kingdom from the European Union in collaboration with the UK Embassy in Lisbon.	Foreign Affairs Internal Affairs	
Production of a leaflet on the right of residence of United Kingdom nationals in Portugal after the exit of the United Kingdom of the European Union	Foreign Affairs Internal Affairs	The package leaflet has already been produced and is available for distribution.
	Internal Affairs	Survey regarding the needs and locations to install service points.

2.2. Coordination of Social Security

In this respect, the European Commission recalled that the European Union has exclusive competence to coordinate social security in respect of periods and events or events occurring before the date of departure of the UK. On 20 December 2018, the European Commission presented a guidance note which proposes a "coordinated unilateral approach of contingency" to ensure the broadest possible protection of the citizens who have exercised their right of free movement prior to exit date of the UK from the EU.

Guidelines of the European Commission	Government Area	Concrete measures to be taken
Member States should take into account, in respect of EU-27 citizens and UK nationals, periods of work / insurance in the United Kingdom prior to exit (aggregation).	Labor, Solidarity and Social Security	Elaboration of guidelines for national social security institutions on the continuation of the implementation, after the exit of the UK from the EU, of Regulations (EC)
Member States shall inform citizens that they must keep supporting documentation relating to those periods.		No
Member States should ensure that the 'totalisation' of periods completed until the exit also benefits those who continue to live in the United Kingdom.		883/2004 and 987/2009 on social security coordination for citizens of the EU-27, the UK, the EEA and Switzerland, in relation to facts and events and periods of activity / insurance occurring / completed by 29.03.2019, in line with the unilateral

Member States should export old-age pensions to the UK, in spite of the fact that it will be a third country.		coordinated approach of contingency defined by the European Commission.
These measures should apply to citizens who continue to reside in the United Kingdom after the date of exit but also to nationals of the United Kingdom who have acquired old-age pension rights in the EU-27 before that date.		

In this area, it is still necessary to safeguard:

National contingency measures	Governance Area	Status
Ensure citizens' right to health care in cases of stay or residence, as well as reimbursement of their expenses, for pending and future cases.	Health Labor, Solidarity and Social Security	Resolution of the question can only be obtained in the bilateral plan, which can only be negotiated as of 03.30.2019. Until then, the rights will be respected in accordance with the principle of reciprocity.
Dissemination of general information to the public, particularly to national	Foreign Affairs Labor, Solidarity and Social	

<p>citizens in the UK and to the British community in Portugal, regarding access to health and social security.</p>	<p>Security Health</p>	
<p>For situations after 29.03.2019, on failure of an EU wide common approach to the future relationship between the EU and the UK on reimbursement of health care expenditure: -Application of the Convention between Portugal and the UK on Social Security in 1978, regulated on 12/31/1981 through administrative agreement and annex to medical treatment, published in DR on 09.25.1982, the whole of the UK (currently applied to the British Isles of Man, Jersey, Guernsey, Alderney, Herm and Jethou, which are not part of the EU). Renegotiation of this Convention.</p>	<p>Labor Solidarity and Social Security Health</p>	

2.3. Other matters relating to citizens' rights

National contingency measures	Governance Area	Status
Ensuring mutual recognition of driving licenses	Planning and Infrastructures	Portugal and the UK have ratified the 1968 Geneva Convention on Road Traffic through which Mutual Recognition can be ensured through the use of an international driving license
The EU pet passport will no longer be valid in the United Kingdom and therefore it will be necessary to adopt special procedures for the transport of pets - namely quarantine.	Agriculture, Forestry and Rural Development	The rules on third countries shall apply.
Safeguarding recognition of academic qualifications	Science, Technology and Higher Education	In the context of the recognition of academic degrees and foreign diplomas: a) the generic resolutions that guarantee the automatic recognition of the academic degrees of the UK remain in force; and b) the UK remains covered by the national legal provisions currently

		applicable to other types of recognition (specific and level)
Safeguarding recognition of professional qualifications	Labor, Solidarity and Social Security and Ministries which are sectorally responsible for monitoring schemes for the recognition of sectoral professional qualifications	<p>The recognition of professional qualifications obtained (or with pending process) until the date of exit will not be affected. After the date of exit, and for the purposes of Union law, the qualifications obtained in the UK by citizens of the EU27 shall be deemed to have been obtained in a third country. Its recognition will no longer be covered by the regime of Directive 2005/36 / EC and will be governed by national policies and standards.</p> <p>From the date of departure, UK citizens become nationals of a third country. Recognition by EU27 of professional qualifications of UK citizens will be governed by the national policies and standards of MS regardless of where they have obtained those qualifications.</p>

		<p>In specific situations the Directive 2005/36 / EC regime for the recognition of qualifications acquired outside the EU by EU27 citizens through the subsequent recognition of qualifications already recognized in another Member State already based on certified professional experience of, at least three years in the same Member State or on the basis of initial automatic recognition in respect of certain professions.</p> <p>The different systems and national rules concerning the recognition of sectoral professional qualifications (RQPs) that exist at present can be applied to UK citizens in the same way as they already apply to third-country nationals, without prejudice to the definition of more advantageous schemes within the framework of bilateral agreements.</p>
--	--	--

3) Economic activity

3.1. FINANCIAL SERVICES

The European Commission has concluded that only a limited number of EU-level contingency measures are needed to safeguard financial stability in the EU27 and that there is no need for further action by Member States. To that end, the European Commission has adopted two implementing acts and two delegated regulations, which will enter into force on the date of exit of the UK, in the case of an exit without agreement:

Legislative act	Explanation	Governance Area
Commission Implementing Decision (EU) determining for a limited period that the regulatory framework for central counterparties in the United Kingdom of Great Britain and Northern Ireland is equivalent in accordance with Regulation (EU) No 648/2012 of the European Parliament and of the Council [C (2018) 9139].	A 12-month temporary and conditional equivalence decision to ensure that there will be no disruption in the central clearing of derivative instruments. This measure will enable the European Securities and Markets Authority ('ESMA') to temporarily recognize counterparties currently established in the United Kingdom, temporarily allowing them to continue to provide services in the Union. The European Commission has concluded that EU27 companies need to establish viable alternatives	Finances

	to UK operators.	
European Commission Implementing Decision (EU) determining for a limited period that the regulatory framework applicable to central exchanges in the United Kingdom of Great Britain and Northern Ireland is in accordance with Regulation (EU) No 909/2014 of the European Parliament and of the Council [C (2018) 9138].	A decision of temporary and conditional equivalence, for 24 months, to ensure that there will be no disruption in the services provided by central securities depositories. This decision will allow the latter to continue to provide Union operators with centralized registration and centralized registration system administration. In this way, operators in the EU27 who do not currently have an immediate alternative in the EU27 will be able to fulfill their obligations under EU law	Finances
Delegated Regulation (EU) of the European Commission amending Delegated Regulation (EU) 2015/2205, Delegated Regulation (EU) 2016/592 and Delegated Regulation (EU) 2016/1178, and complementing Regulation (EU) No 648/2012 of the European Parliament and	Two delegated regulations facilitating the fixed-term novation of certain over-the-counter derivative contracts with counterparties established in the United Kingdom to replace counterparties established in the Union. These acts allow such contracts to be transferred	Finances

<p>of the Council as regards regulatory technical standards on the clearing obligation in order to extend the deferred application dates of the clearing obligation for certain OTC derivative contracts [C (2018) 9122].</p>	<p>to counterparties in the EU27 by maintaining the their exemption status, without being subject to the clearing and margining obligations imposed by the Infrastructure European Market (EMIR). These contracts, prior to</p>	
<p>Delegated Commission Regulation (EU) amending Delegated Regulation (EU) 2016/2251 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council as regards the date by which CCPs may continue to apply their procedures for certain OTC derivative contracts not cleared by a central counterparty [C (2018) 9118].</p>	<p>EMIR, are exempt from compliance with the requirements established by that regulation. These acts will prevent the change of counterparty from changing the status of exemption.</p>	

In this area, it is necessary to caution the following concrete measure:

National contingency measures	Governance Area
<p>Coordination with the relevant regulators (Banco de Portugal, CMVM, Insurance Supervision Authority and Pension Funds)</p>	<p>Finances</p>

3.2. AIR TRANSPORT

In this area too, the European Commission has concluded that, given the nature of the subject matter, only contingency action at EU level is necessary and possible, with a view to ensuring the necessary legal framework to avoid an abrupt disruption of carriers. This measure, however, depends on reciprocity from the UK, which should confer equivalent air traffic rights.

In this context, the European Commission has proposed the following proposals for a Regulation without an exit agreement:

Legislative act	Explanation	Governance Area
<p>European Commission Proposal for a Regulation of the European Parliament and of the Council on common rules ensuring basic air connectivity in connection with the exit from the United Kingdom of Great Britain and Northern Ireland from the EU (COM (2018) 893 final).</p>	<p>A proposal for a regulation temporarily providing for 12 months the provision of certain air services between the United Kingdom and the EU27 Member States by authorizing United Kingdom air carriers to fly over the territory of the Union without landing within the territory of the Union for non-commercial purposes, and for the provision of regular and non-scheduled international air transport services for passengers and cargo. This authorization is subject to the grant by the</p>	<p>Planning and Infrastructures</p>

	United Kingdom of equivalent rights to Union air carriers and the establishment by that country of fair competition conditions.	
Proposal for a Regulation of the European Parliament and of the Council on certain aspects of aviation security in connection with the exit from the United Kingdom of Great Britain and Northern Ireland from the EU (COM (2018) 894 final)	A proposal for a regulation on aviation security which temporarily extends the validity of certain licenses for a period of 9 months to take account of the specific situation in this sector, where the European Aviation Safety Agency (EASA) may only issue certain certificates with a on the basis of a license issued in a third country, whereas the United Kingdom may issue licenses only from the date of withdrawal, at which point it will regain the status of 'Project State'	Planning and Infrastructures

In its Communication of 13 November 2018 the European Commission indicated that it will propose measures to ensure that equipment and parts placed on the Union market before the date of exit can continue to be used under certain circumstances on the basis of a certificate issued by a natural or legal person certified by the UK Civil Aviation Authority. The European Commission has invited the European Aviation Safety Agency to initiate the handling of certain requests for UK entities with a view to leaving the UK.

The European Commission will also take measures to ensure that passengers and their cabin baggage from the UK, in transit at EU-27 airports, are exempted from a second security screening by applying the "single security counter" system.

In this area it is necessary to safeguard the following concrete measures:

National Contingency Measures	Governance Area
Continue to monitor the verification of the conditions of ownership and control of airlines and pilot certification.	Planning and Infrastructures
Coordination with the relevant regulators (Institute of Mobility and Transport - IMT and National Civil Aviation Agency - ANAC).	Planning and Infrastructures

3.3. ROAD TRANSPORT

In the case of an exit without agreement, land transport will be severely restricted and limited to the international quota system. It is therefore necessary to adopt a contingency measure at EU level. European Union law has repealed old bilateral agreements of the Member States which cannot be reconsidered. Thus, the European Commission has already adopted a legislative initiative to ensure a basic connectivity in land transport:

Legislative act	Explanation	Governance Area
Proposal for a Regulation of the European Parliament and of the Council on common rules and standards for the transport of goods by road within the context of the withdrawal	A proposal for a regulation to provide temporary access for 9 months to UK road transport operators for the transport of goods by road between the territory of that country and those of	Planning and Infrastructures

of the United Kingdom of Great Britain and Northern Ireland from the EU (COM (201) 895 Last]	the Member States of the EU27	
--	-------------------------------	--

In this area, it is necessary to caution the following concrete measure:

National Contingency Measures	Governance Area	Status
Take organizational measures and allocate enhancement of personel to IMT in charge of implementing the European Commission regulation which aims to temporarily ensure the access of road traders holding UK licenses to the transport of goods between this country and the EU-27	Planning and Infrastructures	

3.4. MARITIME TRANSPORT AND PORTS

In the case of departure without agreement, in maritime transport and ports, the same procedures will be applied as to goods from and to third countries, whereby ports may become bottlenecks in the flow of passengers and goods, thus harming the fluidity of the current logistics chains.

Therefore, national ports may be affected, both in terms of the volume of goods handled and in terms of congestion in their outlets, in addition to the expectation of an increase in the costs of services.

As far as passenger transport and cruise activity is concerned, it will also be important to minimize the negative effects, in particular congestion in the flow of passengers.

In this area, some measures were already underway that were identified as necessary and of great use in this context:

National Contingency Measures	Governance Area	Status
Accelerate the approval of the legal diploma which creates the Dry Ports	Finances Sea	Preliminary Legislative project prepared between DGRM and AT
Interoperability between the Customs Systems and the Single Logistics Window	Finances Sea Agriculture, Forests and Rural Development	JUL Project in progress, with the forecasted launch of the first pilot in the first quarter of 2019
Extension of the statutes of temporary storage and customs warehouse to the logistic areas connected to the national commercial ports	Finances Sea	Enlargement should operate at the request of economic operators.
Implementation of lists of passengers, crew and bond stores with new information requirements for dispatch in anticipation	Finances Internal Administration Sea	The adapted lists are being tested among and between the DGRM, the Port Administrations and SEF
Develop actions to raise awareness among the agents involved	Sea	

3.5. CUSTOMS AND EXPORT OF GOODS

In the case of exit without agreement, EU legislation on imported and exported goods will require the collection of duties and taxes and the completion of the formalities and controls established in order to ensure a level playing field. The exit of the UK from the EU will result in the automatic transfer of that country to a 'third country' status, so that the VAT treatment of operations between PT and UK should comply with this classification, it failing to be necessary to change VAT (which results from transposition into the internal legal order of the VAT Directive), without prejudice to subsequent amendments to the VAT Code as a result of the changes promoted to the VAT Directive.

As regards customs, the automatic processing of the UK as a 'third country' is also verified on exit from the EU, with its implications for imports and exports (with the need for operators to submit customs declarations import and export transactions with respect to these countries). However, given that in this case one is in the presence with Community legislation arising from European Regulation directly applicable to EU Member States (in particular Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013, laying down the Union Customs Code and Commission Implementing Regulation (EU) 2015/2447 laying down the Implementing Act of the Union Customs Code) any changes which may be made to it at European level do not require transposition. In this respect, the European Commission is studying amendments to the Act of Implementation of the Union Customs Code (AE-CAU) on the models of guarantee terms and customs value, and the Delegated Act of the Customs Code Union (AD-CAU) in respect of minimum deadlines for submission of the entry summary declaration and pre-departure declarations.

In this sense, the following actions have been identified that the member states must safeguard:

Guidelines of the European Commission	Governance Area	Concrete measures to be taken
<p>Member States shall take all necessary measures to ensure that they may apply from the date of the exit, the Union Customs Code and the rules on indirect taxation of all imports and exports to and from the United Kingdom. Member States should make use of the possibilities for issuing authorizations for the application of facilitation measures provided for by the Union Customs Code</p>	<p>Finances Health Agriculture, Forestry and Rural Development</p>	<p>Customs controls: Even if the need to promote internal legislative changes is not anticipated, since the Union Customs Code and implementing provisions are the result of European Regulations directly applicable in Portugal, and in the light of the historical exchange of trade between the two countries, measures for customs controls and inspection posts of health controls should be reinforced, with a total of 60 new technicians, which is an extraordinary measure.</p>
<p>The VAT Directive will have to be amended as regards references to certain overseas territories of the UK.</p>	<p>Finances</p>	<p>During the transition period, a mere current interpretation will be sufficient to guard situations involving those territories, so that any clarifications will be promoted through administrative guidance issued by the tax and</p>

		<p>customs authority.</p> <p>On the other hand, this administrative approach should ensure clarification of arising doubts, inter alia, regarding refunds of VAT incurred outside the national territory and application of the 'single mini-bill' for telecommunications, broadcasting or television services or services by electronic means, to non-taxable persons established or domiciled in the EU.</p>
--	--	--

In its Communication of 13 November 2018, the European Commission indicated that if all the applicable conditions are met - and if justified - the European Commission shall, on the basis of EU veterinary legislation, act with a view of expediently granting the status of "authorized third country" to the United Kingdom in order to allow live animals and animal products from the United Kingdom to enter the European Union.

However, even if the United Kingdom is granted the status of authorized third country, it will be necessary to comply with the strict health requirements applied to imports from third countries, with the obligatory sanitary and phytosanitary border inspection controls.

Particular attention must also be paid to the situation of exports and imports of other perishable products, in particular in the agri-food sector.

At European level, the European Commission adopted the following technical measure:

Legislative act	Explanation	Governance Area
Delegated Regulation of the European Commission amending Delegated Regulation (EU) 2015/2446 on the deadlines for submission of entry summary declarations and pre-departure declarations in case of maritime transport to and from the United Kingdom of Great Britain and Northern Ireland, the Channel Islands and the Isle of Man [C (2018) 9094].	A delegated regulation which includes the waters bathing the United Kingdom in the provisions on the time limits for entering entry declarations and pre-declarations of exit before entering or leaving the customs territory of the Union	Finances

With regard to export controls for the UK from 30 March 2019, in the event of an exit of the UK from the EU without an Agreement, the European Commission has submitted a proposal for the licensing of exports of EU dual-use goods to the UK:

Legislative act	Explanation	Governance Area
European Commission Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 428/2009 by granting a general Union export authorization for the export of certain dual-use items of	A proposal for a regulation adding the United Kingdom to the list of countries for which a general export authorization for dual-use items is valid throughout the EU	Finances National defense

the Union to third countries the United Kingdom of Great Britain and Northern Ireland (COM (2018) 891 final).		
---	--	--

3.6. CLIMATE POLICY (EMISSION TRADE - ETS)

With regard to Climate Policy, only the adoption of contingency actions at EU level will be necessary and possible. In view of the need to ensure that the ETS (Emissions Trading System) system works properly, in order to avoid distortions, the European Commission envisages adopting, in the event of a non-agreement exit, the following instruments:

Legislative act	Explanation	Governance Area
European Commission decision on the communication to the Central Administrator, of instructions for temporary suspension of the acceptance by the European Union Transaction Journal, in cases involving the United Kingdom, referring to the free allocation to auctioning or exchange of international credits [C (2018) 8707]	A decision of the European Commission temporarily suspending, with effect from 1 January 2019, the possibility for the United Kingdom to allocate free allowances, auctioning and exchanging international credits	Environment and Energy Transition
Implementing Decision of the European Commission	An implementing decision allowing the annual	Environment and Energy Transition

<p>of 17 December 2018 establishing, pursuant to Regulation (EU) No 517/2014 of the European Parliament and of the Council on fluorinated greenhouse gases, reference values in the for the reference values applicable, from 30 March 2019 to 31 December 2020, to producers or importers established in the United Kingdom who have legally placed hydrofluorocarbons on the market as from 1 January 2015, as communicated to under that Regulation [C (2018) 8801]</p>	<p>allocation of an appropriate quota for UK companies for access to the EU27 market</p>	<p>Economy</p>
<p>European Commission Implementing Regulation (EU) December 14, 2018 amending the Regulations of the Implementation (EU) No 1191/2014 with regard to the reporting of the data provided for in Article 19 of Regulation (EU) No 517/2014 on</p>	<p>An implementing regulation which ensures that the provision of information by companies distinguishes between the EU market and the UK market in order to allow a correct quota allocation in the future</p>	<p>Environment and Energy Transition Economy</p>

hydrofluorocarbons placed on the market in the United Kingdom and the Union of 27 Member States [C (2018) 8575]		
---	--	--

3.7. – TOURISM

In view of the importance of the tourism sector for the national economy, as well as the significant role of the UK as the issuing market, it is considered that measures should be taken at national level to maintain the current conditions that favor the flow of British tourists:

National contingency measures	Governance Area
<p>Arrange inter-ministerial measures to ensure that British citizens traveling to Portugal from 30.03.2019 (in case of non-agreement) maintain, as far as possible, the current travel conditions:</p> <ul style="list-style-type: none"> • Waiver of visas for stays up to 90 days (negotiation of the amendment to the proposal for EU Regulation 539/2001, which proposes this dispensation, already under way); • Use of dedicated airport areas / corridors, exploring the possibility of differential treatment for flights from the UK; • Possibility of mutual recognition of driving licenses; • Use of the national health service; 	<p>Economy Internal Administration Planning and Infrastructures Health Agriculture, Forestry and Rural Development</p>

<ul style="list-style-type: none"> • Validity of insurance contracts • Facilitated transport conditions for pets. • Equal treatment of passenger safety charges 	
Ensure the maintenance of the rights of UK film producers in Portugal	Economy Culture Finances

3.8. - OTHER SECTORS

In terms of statistics, the European Commission has adopted the following act:

Legislative act	Explanation	Governance Area
Delegated Commission Regulation (EU) of 19 December 2018 amending Annex I to Council Regulation (EC) No 184/2005 of the European Parliament and of the Council as regards the levels of geographical breakdown [C (2018) 8872]	A delegated regulation of the European Commission on the inclusion of the United Kingdom in balance of payments statistics, services international trade and direct foreign investment	Finances

IV – ANNEXES

Annex 1 - List of contingency seminars organized by the European Commission

Date	Matter
November 15	Financial services
November 27	· Citizens, social security coordination and border controls
	· Professional qualifications; intellectual property; civil justice; company law; consumer defense; protection of personal data
November 29	· Air Transport · Other means of transport (road, rail, maritime and inland waterways)
December 4	· Brexit preparation coordinators' meeting
December 6	Sanitary and phytosanitary requirements · Customs and import / export certificates · Indirect taxation / direct taxation
December 12	· Industrial products (including pharmaceuticals); clinical trials; substances of human origin
December 20	· Police and judicial cooperation in criminal matters; international conventions
	· Digital technologies and telecommunications, public procurement, consular protection
January 10	Fisheries, Climate, Environment
	Energy

**Annex 2 - List of thematic Notices of preparations for removal of the United Kingdom from the European Union published by the European Commission
(on January 17, 2019)**

Matter	
Products	
1	Industrial products
2	Pharmaceutical products (for human / veterinary use)
3	Questions and Answers about Pharmaceuticals
4	Plant protection products
5	Questions and answers on pesticides residues
6	Biocidal products
7	Questions and answers on biocidal products
8	Motor vehicles
9	Agricultural and forestry vehicles, two- and three-wheel vehicles and quadricycles, non-road mobile machinery
10	Industrial Chemicals (REACH) (published by ECHA)
11	Detergents
12	Fertilizers
13	Pyrotechnic products
14	Explosives for civil uses
15	Eco-label
16	Residues
	Food, feed, plants and veterinary products
17	Production of food and organic products
18	Animal Feed
19	OGM
20	Natural mineral waters
21	Plant propagation material
22	Animal production / zootechnics
23	Animal health

24	Phytosanitary
	Customs and Indirect Taxes, Indirect Tax Certificates, Import / Export Certificates
25	VAT, excise duty and customs
26	Rules of origin
27	VAT
28	Import / export certificates
29	Species of endangered species (CITES)
30	Import of wood
31	Customs control of intellectual property rights
	Financial services
32	Statutory audit
33	Credit rating agencies
34	Asset Management
35	Post-trading services
36	Investment Services
37	Banking and payment services
38	Reinsurance
39	Institutions for occupational retirement provision
	Civil Justice, Commercial Law, Consumer Protection and Data Protection
40	Protection of personal data
41	Commercial law
42	International private law
43	Consumer protection and passenger rights
	Intellectual property
44	Registered trademarks and Community designs
45	Vegetable varieties
46	Copyright
47	Supplementary protection certificate
	Professional qualifications
48	Professional qualifications

49	Qualifications of slaughterhouse staff
50	Qualifications of animal transporters
51	Qualifications of seafarers
	Transportation
52	Air transport (access)
53	Aviation Safety
54	Aviation and maritime security
55	Road transport
56	Maritime transport (access and security)
57	Railway transport
58	Inland waterway transport
	Digital Technologies
59	Top Domain Names .eu
60	E-commerce (information society services)
61	Telecommunications
62	Audio-visual communication services
63	Identification and electronic validation services
64	Network security
65	Geographical block
	Energy
66	Euratom issues
67	Electricity and gas market
68	Guarantee of origin
	Climate
69	Emissions of CO2 by the maritime transport sector
70	Emissions Trading System
71	Fluorinated greenhouse gases
	Others
72	Substances of human origin
73	Clinical trials
74	Public contracts

75	EU Eco-Management and Audit Scheme (EMAS)
76	Recycling of ships
77	European Citizens' Initiative
78	Fishery stock
79	European Companies Councils
80	Industrial safety (ICUE)
81	Travel between the European Union and the United Kingdom

**ANNEX 3 - LEGISLATIVE PROPOSALS OF THE EUROPEAN
COMMISSION: PROPOSALS FOR REGULATIONS AND DECISIONS
ANNEXED TO THE COMMUNICATION OF THE EUROPEAN COMMISSION
OF NOVEMBER 13**

Field of intervention	Proposed legislative amendments	Current situation	Governance Area
Agriculture and Rural Development and Trade (AGRI-TRADE)			
Tariff quotas	Proposal COM (2018) 312 final, adopted on 22.05.2018. The proposed regulation will allow the allocation of tariff quotas between the EU27 and the UK in the absence of an agreement of the World Trade Organization (WTO) on certain tariff quotas. The proposal for a regulation is accompanied by a proposal for a Council Decision authorizing the Commission to negotiate new tariff quotas in the WTO on the basis of Article XXVIII of the General Agreement on Tariffs and Trade (GATT)	Following an interinstitutional agreement registered on 10.12.2018, the European Parliament's first reading is scheduled for January 2019	Foreign Affairs Finances Economy
Financial Stability, Financial Services and Union of Capital Markets (FISMA)			
Banking - transfer of the Agency	Proposal COM (2017) 734 final, adopted on 29.11.2017 The proposal for a regulation confirms the change of the seat of the European Banking Authority from London to Paris	Adopted. Regulation (EU) No 2018/1717 of the European Parliament and of the Council of 14 November 2018	Foreign Affairs Finances
Internal Market, Industry, Entrepreneurship and SME (GROW)			
Internal market - approvals	Proposal COM (2018) 397 final, adopted on 04.04.2018. The proposed Regulation will allow manufacturers who are holders of approvals issued by the approval authority of the UK to apply for approvals of the	Adopted at first reading by the European Parliament on 12.11.2018. It awaits first reading by the	Economy Planning and Infrastructures

	same type to the approval authorities of the EU27	Council. Proposal for a regulation has already obtained a positive opinion from the Parliament	
Mobility and Transport (MOVE)			
Trans-European networks	Proposal COM (2018) 568 final, adopted on 08.18.2018. The proposal envisages a new sea route linking Ireland to the mainland of the 'North Sea - Mediterranean' corridor	Adopted (with amendments) in the EP TRAN Committee on 10.01.2019	Planning and Infrastructures Sea
Shipping - Inspection of ships	Proposal COM (2018) 567 final, adopted on 08.18.2018. The purpose of the proposed regulation is to transfer UK sponsorship to an EU27 Member State in order to facilitate the periodic validation of recognized organizations in accordance with Article 8 of Regulation (EC) No 391 / 2009	Adopted (with amendments) in the EP TRAN Committee on 10.01.2019	Planning and Infrastructures Sea
Health and Food Safety (SANTE)			
Medicines - transfer of the Agency	Proposal COM (2017) 735 final, adopted on 29.11.2017. The proposed regulation confirms the change of the European Agency's headquarters from London to Amsterdam Medicines	Adopted. Regulation (EU) No 2018/1718 of the European Parliament and of the Council of 14 November 2018.	Foreign Affairs Health
Energy (ENER)			
Energy Efficiency Objectives	Proposal COM (2018) 744 final, adopted on 13.11.2018. The proposal amends Directive 2012/27 / EU on energy efficiency (COM (2016) 761) and the Regulation on the governance of the Energy Union (COM (2016) 759 end / 2]	Adopted (with amendments) by EP Committee on 14.04.2019	Environment and Energy Transition

Migration and Home Affairs (HOME)

Visas	Proposal COM (2018) 745 final, adopted on 13.11.2018. The proposal for a regulation amends Regulation (EC). No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement.	Draft report / recommendation submitted on 10.01.2019 in LIBE Committee. Vote on LIBE Committee scheduled for 29.01.2019 and final vote in plenary session in February.	Internal Affairs Foreign Affairs
-------	---	---	-------------------------------------

**ANNEX 4 PROPOSAL FOR OTHER ACTS OF THE EUROPEAN
COMMISSION: PROPOSALS FOR IMPLEMENTING ACTS AND
DELEGATED ACTS ANNEXED TO THE NOTICE OF THE EUROPEAN
COMMISSION NOTICE OF NOVEMBER 13**

Field of intervention	Type of legislative act	Action by the European Commission	Governance Area
Agriculture and Rural Development (AGRI)			
Tariff quotas	Execution Act	Decision of the Commission Implementing Regulation concerning the allocation of tariff quotas included in the EU's WTO Schedule	Foreign Affairs Finances Economy
Tariff quotas	Execution Act	Decision of the Commission Implementing Regulation modifying the quantities of each tariff quota managed in chronological order	Foreign Affairs Finances Economy
Tariff quotas	Execution Act	Decision of the Commission implementing act amending the quantities of each tariff quota managed by licenses and laying down transitional rules	Foreign Affairs Finances Economy
Program of Specific Options for Removal and Insularity (POSEI)	Execution Act	Decision of the Commission Implementing Regulation amending Annexes II-VI to Implementing Regulation (EU) No 180/2014 to reflect trade flows between the outermost regions of the EU and the UK	Foreign Affairs Finances Economy
Climate Action (CLIMATE)			
Fluorinated greenhouse gases	Execution Act	Decision of the Commission's implementing amending Implementing Regulation (EU) No 1191/2014 splitting (EU27 / UK) communication of sales of fluorinated gases with greenhouse effect	Environment and Energy Transition Sea

Emissions Trading Scheme	Delegated act	Commission delegated regulation amending Regulation (EU) No 389/2013 as regards the marking of UK licenses	Environment and Energy Transition
Emissions Trading Scheme - Aviation	Autonomous act of the Commission	Commission Regulation amending Regulation (EC) No 748/2009 reassigning the functions of Member State responsible when these are currently exercised by the UK	Environment and Energy Transition
Statistics (STATISTICS)			
Balance of payments statistics	Delegated act	Commission delegated regulation amending Regulation (EC) No 184/2005 updating the composition of aggregated EU data	Presidency and Administrative Modernization Finances
Tourism statistics	Delegated act	Commission delegated regulation amending Regulation (EC) No 692/2011 as regards the indication and presentation of statistics on tourism	Presidency and Administrative Modernization
Internal Market, Industry, Entrepreneurship and SME (GROW)			
Common Commercial Policy	Decision of the Council	Proposal for a Council Decision establishing the position to be adopted on behalf of the EU within the framework of the Committee for Government Procurement on the accession of the UK to the Agreement on Government Procurement	Foreign Affairs Economy Planning and Infrastructures
Galileo	Enforcement action	Commission Implementing Decision amending Decision 2016/413 transferring the land stations currently located in the Falkland Islands and Ascension	National defense Higher education, Technology and Higher Education
Research and Innovation (RESEARCH)			
Consortium for a	Execution	Commission Implementing Decisions amending	Science,

European Research Infrastructure	Act	Decisions establishing Consortia for a European Research Infrastructure (ERIC), transferring the headquarters, currently located in the UK	Technology and Higher Education
Health and Food Safety (SANTE)			
Medicines for human use	Execution Act	Commission Implementing Decisions amending the marketing authorizations for medicinal products updating the marketing authorization if the functions currently exercised in the UK have to be exercised in the EU	Health
Veterinary Medicines	Execution Act	Commission Implementing Decisions amending the marketing authorizations for veterinary products updating the marketing authorization if the functions currently exercised in the UK have to be exercised in the EU	Agriculture, Forestry and Rural Development
OGM	Execution Act	Commission Implementing Decisions amending the marketing authorizations for genetically modified food and feed whose holders are currently in the UK	Environment and Energy Transition
Biocidal products	Delegated act	Commission delegated regulation amending Regulation (EU) No 1062/2014 reassigning to the functions of the evaluating competent authority if this role is currently carried out in the UK	Health
Plant protection products	Execution Act	Commission Implementing Regulation amending Regulation (EU) No 686/2012, reassigning the role of rapporteur Member State if this role is currently carried out in the UK	Agriculture, Forestry and Rural Development
Additives for animal feed	Execution Act	Commission implementing regulations amending the marketing authorizations for feed additives whose holders are currently established in the UK	Agriculture, Forestry and Rural Development

**ANNEX 5 - PROPOSALS FOR LEGISLATIVE ACTS OF THE EUROPEAN
COMMISSION ANNEXED TO THE COMMUNICATION OF THE EUROPEAN
COMMISSION OF 19 DECEMBER**

(I) Commission Implementing Decision (EU) determining for a limited period that the regulatory framework applicable to central counterparties in the United Kingdom of Great Britain and Northern Ireland is equivalent in accordance with Regulation (EU) No 648/2012 of the European Parliament and of the Council [C (2018) 9139].

(II) Commission Implementing Decision (EU) determining for a limited period that the regulatory framework for central exchanges in the United Kingdom of Great Britain and Northern Ireland is equivalent in accordance with Regulation (EU) No 909/2014 of the European Parliament and of the Council (C (2018) 9138).

(III) Commission Delegation Regulation amending Delegated Regulation (EU) 2015/2205, Delegated Regulation (EU) 2016/592 and Delegated Regulation (EU) 2016/1178, supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council as regards regulatory technical standards on the clearing obligation in order to extend the deferred application dates of the clearing obligation for certain OTC derivative contracts [C (2018) 9122].

(IV) Commission Delegated Regulation amending Delegated Regulation (EU) 2016/2251 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council as regards the date by which central counterparties may continue to apply its risk management procedures to certain OTC derivative contracts not cleared by a central counterparty [C (2018) 9118].

(V) Proposal of the European Parliament and of the Council on common rules of Regulation Commission for a Regulation of the European Parliament and of the Council on common rules ensuring basic air connectivity in connection with the exit from the United Kingdom of Great Britain and Northern Ireland (COM (2018) 893 final) .

(VI) Proposal of the European Parliament and of the Council on common rules of Regulation Commission for a Regulation of the European Parliament and of the Council on certain aspects of aviation security in connection with the exit from the United Kingdom of Great Britain and Northern Ireland (COM (2018) 894 final).

(VII) Proposal of the European Parliament and of the Council on common rules of Regulation Commission to guarantee the fundamental connectivity road freight transport in the context of the exit from the United Kingdom of Great Britain and Northern Ireland (COM (2018)) 895 final].

(VIII) Proposal of the Commission Delegated Regulation amending Delegated Regulation (EU) 2015/2446 as regards the time limits for the submission of entry summary declarations and pre-departure declarations in the case of sea transport to or from the United Kingdom of Great Britain and Northern Ireland, the Channel Islands and the Isle of Man [C (2018) 9094].

(IX) Proposal of the European Parliament and Commission Regulation amending Regulation (EC) No 428/2009 by granting a general export authorization of the Union for the export of certain dual-use of Union to the United Kingdom of Great Britain and Northern Ireland (COM (2018) 891 final).

(X) Commission Decision on the communication to the Central Administrator of instructions for the temporary suspension of the acceptance by the EU Gazette of proceedings involving the United Kingdom concerning free allocation, auctioning or exchange of international credits [C (2018) 8707].

(XI) Commission Implementing Decision of 17 December 2018 establishing, in accordance with Regulation (EU) No 517/2014 of the European Parliament and of the Council on fluorinated greenhouse gases, reference values, for the reference values applicable, from 30 March 2019 to 31 December 2020, to producers or importers established in the United Kingdom who have legally placed hydrofluorocarbons on the market as from 1 January 2015, as under that Regulation [C (2018) 8801].

(XII) Commission Implementing Regulation (EU) of 14 December 2018 amending Implementing Regulation (EU) No 1191/2014 with regard to the communication of data provided for in Article 19 of Regulation (EU) No 517/2014 on hydrofluorocarbons placed on the market in the United Kingdom and the Union of 27 Member States [C (2018) 8575].

(XIII) Proposal for a Regulation of the European Parliament and of the Council to allow for the continuation of the Territorial Cooperation programs PEACE IV (Ireland United Kingdom) and United Kingdom Ireland (Northern Ireland Scotland) in the context of the exit from the United Kingdom of the European Union [COM (2018) 892 final].

(XIV) Commission Delegated Regulation of 19 December 2018 amending Annex I to Regulation (EC) No 184/2005 of the European Parliament and of the Council as regards the levels of geographical breakdown [C (2018) 8872].