

# Regulation

## Key facts

- 1 The UK will leave the EU legal structure
- 2 In the future the UK will no longer be bound by EU rules and court rulings
- 3 A new balance between UK and EU regulatory systems will need to be found

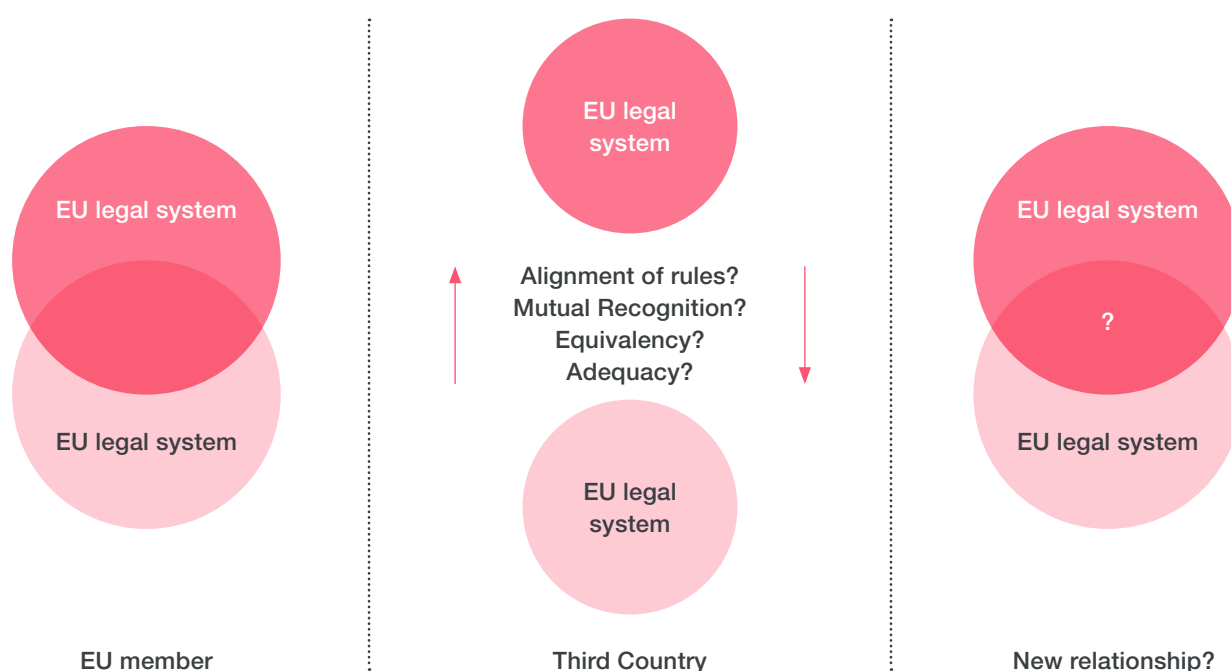
Many UK rules have an EU origin. This allows businesses to trade with EU countries without having to think about local rules for almost all products and for the majority of services. This will change when the UK becomes a “third country” (country outside the EU).

Businesses will need to develop an awareness of the regulatory aspects of trading with the EU as rules can form so-called “behind the border” or “technical” barriers to trade.

Both the UK and the EU have expressed the future intention to either align rules, mutually recognise them or to consider them “equivalent” or “adequate”, to minimise barriers. However, this will need to be agreed in a trade agreement. The relationship between the two regulatory systems can only be negotiated after the UK has left the EU.

On Exit Day, all EU legislation will automatically stay on the UK Statute Book. Over time Parliament will scrutinise and possibly modify or replace each piece of EU originated legislation. There will also be new legislation to reflect that the UK has left the EU and that it will have its own policies on, for example, Trade or Nuclear Energy.

## New relationship between UK and EU legal systems



For the future, it is advisable to closely watch these two processes when they happen (trade negotiations and Parliamentary scrutiny) for the regulation around your product.

For now, assume that the UK will be an outside country trading on WTO rules from Exit Day. This means that you may have to show that your product complies with EU rules or with local rules, even if the UK rules are still the same. Also, there will be no recourse to the European Court of Justice in the event of a conflict.

### To do

- Use the [UK](#) and the [EU](#) information portals to find out what the specific EU rules there are around your product, e.g. labelling, chemicals
- Find out about [domestic rules of the country you provide your services in](#)
- Set up a partnership with the [Primary Authority](#) to ensure you receive the latest updates on regulatory compliance
- Access business resilience training and support through your local Growth Hub to help you identify relevant EU legislation

### What's next?

If the UK leaves the EU without ratifying the Withdrawal Agreement (“no deal”), technical barriers to trade are expected to happen. They can be mitigated in the long term if the UK and the EU negotiate a trade agreement. This is for example the [Free Trade Agreement](#) between the EU and Canada.

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